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Daily Report
Central Eurasia

FBIS-SOV-94-187 *27 September 1994*

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Edict, Document on Russians Resident Abroad

MM2609155094 Moscow ROSSIYSKAYA GAZETA in Russian 22 Sep 94 p 4

[Edict of the Russian Federation Government "On Measures To Support Compatriots Abroad," dated 31 August 1994 and signed by Russian Federation Government Chairman V. Chernomyrdin; accompanied by the document "Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad" and a commentary by Vladimir Kuznechevskiy entitled "Our Duty to Our Compatriots"]

[Text] With a view to implementing edict no. 1681 of the Russian Federation president "On the Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad" of 11 August 1994, the Russian Federation Government decrees that:

1. The attached Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad it to be approved.

2. The list of immediate measures to support compatriots in member states of the Commonwealth of Independent States, the Latvian Republic, the Lithuanian Republic, and the Estonian Republic for 1994-1995, as given in the attachment, are to be approved.

3. A Government Commission for the Affairs of Compatriots Abroad (hereinafter—the Commission) is to be formed which includes representatives of the Russian Federation Government, the federal organs of executive power, the Russian Federation Presidential Staff, and the Federal Assembly, as well as representatives of the Russian Federation's public organizations (by agreement).

Sergey Mikhaylovich Shakhray, deputy chairman of the Russian Federation Government, is to be appointed chairman of the Government Commission for the Affairs of Compatriots Abroad.

4. The Commission chairman is to submit to the Russian Federation Government for its approval the Commission's membership and a draft decree on the Government Commission for the Affairs of Compatriots Abroad taking into consideration proposals from the Russian Federation Ministry of Foreign Affairs, the Russian Federation Ministry of Nationalities Affairs and Regional Policy, and the Russian Federal Migration Service which have been coordinated with the organs and organizations named in Point 3 of this decree.

5. It is to be established that the Commission be entrusted with coordinating the activities of the federal organs of power, the organs of executive power of the Russian Federation's components, and public organizations, as well as monitoring the activities of the Russian Federation ministries and departments to implement the Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad and systematically informing the Russian Federation Government and president about progress in implementing the Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad.

The Commission guarantees the implementation of immediate measures to support compatriots in member states of the Commonwealth of Independent States, the Latvian Republic, the Lithuanian Republic, and the Estonian Republic.

6. In order to provide office equipment for the Commission's activities, a Secretariat of the Government Commission for the Affairs of Compatriots Abroad is to be formed within the Russian Federation Government Apparatus.

[signed] Russian Federation Government Chairman V. Chernomyrdin 31 August 1994, Moscow No. 1064

Main Areas of Russian Federation State Policy in Respect of Compatriots Resident Abroad

As a result of the complex and at times tragic events in Russia's history millions of our compatriots were forced to leave their homeland and find a second motherland in many countries of the world.

The democratic transformations in our country in recent years have created conditions for relations of mutual understanding and cooperation with compatriots abroad.

The new Russia has opened up to compatriots—victims of historical upheavals and repression and their descendants—the opportunity, if they so desire, to reinstate Russian citizenship and return to the historical motherland.

Russia is grateful to the governments and peoples of countries which have given Russians a refuge and the opportunity to preserve their native tongue and their ethnic and cultural originality.

Millions of our compatriots outside the Russian Federation in the area of the former USSR, under conditions of the incomplete process of the new independent states' emergence and the formation of interstate relations, are still deciding on the choice of their future fate. Our compatriots abroad have encountered a complex economic, cultural, and psychological situation and undoubtedly need Russia's assistance and support.

In terms of their legal status emigrants from Russia belong to three different categories: citizens of Russia, citizens of the state of residence (minorities), and persons without citizenship (stateless persons)—citizens with and without a residence permit in the country of actual residence.

Mindful of their different juridical status, the strategic line of Russia's policy in respect of compatriots abroad is to assist their voluntary integration into the political,

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social, and economic life of the new independent states and their adaptation to the local culture while preserving their own cultural originality.

This policy is aimed at preventing our compatriots' mass departure from these states, which could have a very painful impact on the fate of millions of Russians who long ago settled outside their own historical motherland.

In the event of conflict situations in any regions of the former USSR which threaten the life and well-being of our compatriots, the Russian state must be prepared for such a development of events. Moreover, Russia must also ensure a welcome on its territory for those who were unable or did not have the opportunity to adapt to the new situation and who have decided to return to their historical motherland.

The Russian Federation proceeds from the premise that Russians have the right to remain in the states where they were born or where they have resided for many years and that these countries are responsible for ensuring the whole range of these persons' civil, political, economic, social, and cultural rights. But all the new independent states, including Russia, are today experiencing serious economic and financial difficulties and are at the stage of developing their statehood, when it is not easy to take account of the specific needs of immigrants from other states resident on their territory. In this connection the Russian Federation is prepared to help the governments of the new independent states to satisfy the needs of Russians resident there with regard to ensuring their legitimate rights.

Russia's assistance for compatriots must be given on the basis of appropriate bilateral agreements, by taking measures agreed with the appropriate country's organs of state power. At the same time both the content of the treaties and the measures themselves to support compatriots abroad must take account of the specific nature of the situation in each country.

Russia cannot be indifferent to the difficulties and burdens experienced by our compatriots who have ended up abroad. The Russian Federation Government intends by all means recognized in international law to prevent infringement of the rights of its compatriots abroad. The resolution of questions of Russia's financial, economic, social, and military-political cooperation with specific states will depend on their leadership's actual position in terms of observing the rights and interests of Russians on their territory. Any compulsorily tough measures, however, must be taken after a serious analysis of the situation with due regard for the interests of those people they are designed to protect.

The Main Areas of Russian Federation State Policy in Respect of Compatriots Abroad define the range of measures that must be taken to give them effective assistance and the head ministries responsible for implementing them. These measures are of a positive nature and are designed to help the governments of the new independent states on the one hand and our compatriots on the other to resolve the problems of the transitional period more quickly and more efficiently.

I. Political-Legal and Information Measures

1. Talks are to be held with the governments of states in the near abroad on the conclusion of agreements on establishing Russian-language radio and television programs and periodicals, as well as on the unimpeded functioning of these mass media, while complying with the legislation of the corresponding state.

2. The Russian mass media are to be provided with information enabling them to report regularly on the measures being taken by the Russian Federation Government to protect the civil, political, economic, social, and cultural rights of compatriots in countries in the near abroad and also to provide objective coverage of events in the near abroad, paying special attention to the position of compatriots and to the protection of their rights.

3. If necessary, the question of the rights of compatriots is to be raised at sessions of the Council of Heads of State and the Council of Heads of Government of the CIS members and also in interstate talks with the Latvian Republic, the Lithuanian Republic, and the Estonian Republic.

4. Cooperation is to be effected with Russian public organizations, and use is to be made of the potential at their disposal in matters of support for compatriots, as well as with Russian and Slav communities and other public organizations in countries of the near abroad.

The head ministries responsible for implementing measures are the Russian Ministry of Foreign Affairs, the Russian Ministry for Cooperation with Member States of the CIS, and the Russian Ministry of Nationalities Affairs and Regional Policy.

II. Diplomatic Measures

5. Protection of the rights of compatriots is to be ensured by using existing international mechanisms for the protection of human rights and the rights of ethnic minorities.

6. If necessary, efforts must be made to seek the inclusion of questions connected with ensuring the rights of compatriots on the agendas of the UN General Assembly, the UN Commission on Human Rights, the UN Subcommission on the Prevention of Discrimination and Protection of Minorities, and the Executive Committee of the UNHCR Program, as well as the sending of UN fact-finding missions to states where these rights are being violated. Use is to be made of the potential of the institution of the UN High Commissioner for Human Rights to protect the rights of compatriots where they are being violated.

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7. Where necessary, the problem of ensuring the rights of compatriots is to be raised at CSCE forums and at conferences of the Council of Baltic Sea States [CBSS]. The implementation of recommendations of the CSCE High Commissioner for Affairs of Ethnic Minorities and of the conclusions of CSCE fact-finding missions is to be sought. A policy of completing the work of establishing the post of CBSS Commissioner for Human Rights and Questions of Minorities is to be pursued.

8. Use is to be made of the potential of nongovernmental organizations to influence public opinion in those states in the near abroad where human rights are being violated and to give assistance to compatriots.

9. The speediest creation of the CIS Commission on Human Rights, provided for in the CIS Charter, is to be insisted upon, and active use is to be made of this organ's potential for protecting human rights in the CIS countries.

10. The speediest signing and ratification of the CIS Convention on Ensuring the Rights of Persons Belonging to National or Ethnic Linguistic and Religious Minorities is to be sought. Use is to be made of its mechanism for protecting the rights of compatriots in the CIS member states.

11. The mechanism of the CIS Agreement on Assistance for Refugees and Enforced Migrants is to be used to provide assistance in emergency situations to compatriots migrating to Russia from the CIS states.

12. Talks are to be held regarding the conclusion of bilateral agreements between the Russian Federation Government and the governments of the near abroad states regarding assistance for people migrating from Russia to one of these states and vice versa.

13. Efforts are to be made to secure the conclusion of an agreement on questions of citizenship with the countries of the near abroad with a view to ensuring compatriots' socioeconomic and political rights, using the state's available potential to this end.

14. The development of ties with Russia's public, including via religious organizations, is to be promoted in order to support Russian-speaking communities in the countries of the near abroad in accordance with the legislation of their country of residence.

15. Organs of state authority in the countries of the near abroad are to be influenced via the Russian and world community and international organizations to change legislation with a view to ensuring the civil rights of the nonindigenous population.

The Russian Foreign Ministry is responsible for implementing the measures.

III. Economic Measures

16. Links between Russian enterprises and enterprises in near abroad countries at which compatriots predominantly work are to be encouraged, as well as the development of mutually beneficial cooperation between them in line with the legislation of each country.

17. Measures are to be employed to buy from states in the near abroad (including the clearance of debts) the property of those enterprises at which our compatriots predominate among the work force.

18. The formulation of specific cooperation programs between public and commercial structures in Russia and the near abroad is to be promoted, including the creation of joint enterprises, funds, etc, with a view to providing compatriots with assistance by pooling their financial and other potential.

19. Support is to be given for Russian enterprise and for production-sharing programs aimed at enlisting resources for the development of our compatriots' social and cultural spheres, including by means of creating banks and other commercial structures.

20. Questions of facilitating the creation of a system of specialized banks to promote the implementation of projects to cater for enforced migrants are to be studied.

21. The interests of our compatriots are to be taken into consideration when conducting talks on concluding bilateral agreements between the Russian Federation Government and the governments of the near abroad states on trade and economic cooperation.

22. Talks are to be held on concluding bilateral agreements between the Russian Federation Government and the governments of the near abroad states on the labor activity of and social protection for citizens working outside their states.

23. The appropriate steps permitted by contemporary international law and employed in world practice are to be taken where necessary with regard to 'hose states where compatriots' rights are flagrantly violated. Restrictions are to be enforced against such states, including: curtailing trade and economic ties; changing customs procedures; and canceling concessions for corporate entities and individuals from the relevant states who carry out their activity on the territory of the Russian Federation.

The Russian Ministry of the Economy, the Russian Ministry for Cooperation with Member States of the CIS, the Russian Ministry for Foreign Economic Relations, and the Bank of Russia are responsible for implementing the measures.

IV. Social and Cultural Measures

24. Measures are to be drafted whereby Russia will give support to the socially unprotected categories of our compatriots. The Agreement on Guarantees of the Rights of Citizens of CIS Member States in regard to pension provision is to be implemented. Agreements on questions pertaining to social protection are to be prepared and signed with those states in the near abroad with which such agreements have not already been concluded.

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25. On the basis of bilateral agreements, Russian hospitals are to be created in states of the near abroad on the base of existing military (including district) hospitals of the former Soviet Army with the maximum possible retention of material and scientific facilities as well as of the cadre potential of those hospitals.

26. Assistance is to be given to the creation of regional societies for links with compatriots in Russia's major centers (Moscow, St. Petersburg, Pskov, Smolensk, Kursk, Rostov-na-Donu, Krasnodar, Stavropol, Astrakhan, Orenburg, Chelyabinsk, Omsk, Novosibirsk, and so forth).

27. The range of problems connected with the social conditions of the residence of Russian servicemen abroad (children's education, medical services for family members, duty-free import and export of property, and so forth) is to be settled at intergovernmental level.

28. Technical, informational, and financial assistance is to be given to Russian-language periodicals in the countries of the near abroad on the basis of the corresponding agreements.

29. Talks are to be held on the conclusion of bilateral agreements with the countries of the near abroad on cooperation in the sphere of culture and education, including the creation and support of Russian cultural centers (libraries and clubs).

30. Within the framework of bilateral cultural cooperation there are to be regular events to support the activity of Russian and Slav centers abroad, including the staging of festivals, exhibitions, competitions, tours by theaters, creative collectives, and performers, and other similar actions aimed at preserving and developing Russian culture.

31. In conjunction with the state organs of the corresponding countries, material assistance is to be given to Russian libraries, archives, museums, theaters, musical and choreographic ensembles, artistic studios, and other creative collectives based in cities in the near abroad.

32. Measures are to be adopted to enshrine Russia's rights of ownership or acquisition of property abroad, including facilities vacated by Russian military establishments, for transfer on a legal basis to Russian cultural centers, libraries, clubs, schools, theaters, and other cultural and medical institutions.

33. Work is to be organized to preserve and collect Russian-language literature, periodicals, archives, and other materials and documentation which may be used for work in cultural centers and libraries in the near abroad.

34. Cultural ties are to be developed and cultural and historical monuments are to be preserved on a reciprocal basis.

35. In view of the need to study the language of the country of residence, it is necessary to ensure that the corresponding study programs are effective.

36. Participation in the solution of organizational and pedagogical problems of education in the Russian language in the countries of the near abroad (the provision of textbooks, grants, training and qualification enhancement for teachers, and the exchange of students and schoolchildren) is to be ensured on the basis of bilateral agreements.

37. Talks are to be held with states of the near abroad on the establishment there of Russian universities, institutes, faculties, and high schools.

38. Opportunities are to be provided for the admission of compatriots from the near abroad into Russian higher and secondary specialized educational institutions, their material support, and the development of exchanges between higher educational institutions

39. Measures are to be prepared and implemented to satisfy the needs of the Russian-speaking population of the near abroad for books, including scientific and academic literature.

The main ministries responsible for the implementation of these measures are: the Russian Ministry for Cooperation With Member States of the CIS, the Russian Ministry of Nationalities Affairs and Regional Policy, the Russian Ministry of Culture, and the Russian Ministry of Social Protection of the Population.

NB: The list of immediate measures to provide support for compatriots in the member states of the CIS, the Latvian Republic, the Lithuanian Republic, and the Estonian Republic in 1994-1995 is not being published. [document ends]

[Commentary by Vladimir Kuznechevskiy: "Our Duty to Our Compatriots"]

This decree has been long awaited. It has been awaited virtually since the moment the USSR collapsed and millions of emigrants from Russia involuntarily found themselves citizens of foreign states without in a number of instances—as, for example, in Estonia—observance of their elementary human rights. And now, at last, the Russian Government is starting—in compliance with the Russian Federation president's edict—to discharge its duty to its compatriots.

As is clear from the document, the Russian Government will now introduce economic sanctions—if one may put it that way—against countries in which our compatriots' rights are violated: Those countries will be denied most-favored-nation status in trade, and customs procedures will be made tougher for them (and this is a very effective instrument when you bear in mind that in practical terms the Baltic countries, for example, do not have their own sources of supply of fuel and raw materials and are unable to sell their industrial goods and agricultural produce on Western markets). Moreover, the citizens of foreign states engaging in any kind of activity on the territory of Russia will be denied those concessions and privileges which they currently enjoy if

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their governments allow gross violations of rights in respect of emigrants from Russia.

In accordance with the decree, the Russian Government plans to start buying up those enterprises in CIS and Baltic countries which employ predominantly emigrants from Russia. A network of specialist banks is also being set up which will finance targeted programs to cater for enforced migrants.

Paying great heed to the maintenance of Russian culture in places abroad which are densely populated by Russian-speaking citizens, the Russian Government plans to conclude bilateral interstate treaties on the organization of Russian universities, institutes, and individual faculties abroad.

It is noteworthy that the Russian Government is taking under its protection not only our compatriots of the last wave, so to speak. The decree also protects the interests of all enforced migrants from Russia (the Soviet Union) from 1918 onward. Our state had never to date discharged this duty.

ITAR-TASS Carries Press Review for 27 Sep

LD2609225494 Moscow ITAR-TASS in English 2212 GMT 26 Sep 94

["Russian Press Comments on Yeltsin Visits to US, UK"—ITAR- TASS headline]

[Text] Moscow September 27 TASS—"The presidents of Russia and the United States have spoken in the United Nations on one and the same day", the "ROSSIYSKIE VESTI" writes on Tuesday commenting on Russian-US partnership.

The "IZVESTIYA" echoes by saying that "the unbreakable friendship between Boris and Bill strengthens from summit to summit". Such a headline begins the interview which US Undersecretary of State Strobe Talbott gave to it. "Previous differences were deeply-rooted and basic. Our present differences with Russia are smaller than what unites us", he said.

"The plans are immense", the "KOMSOMOLSKAYA PRAVDA" said. "Yeltsin promised that soon there would be no questions which they (with Bill Clinton) had not discussed together", it added.

Russian newspapers also comment on Yeltsin's talks with British Prime Minister John Major. They both have admitted that "such a meeting would be impossible a couple of years ago", "IZVESTIYA" said and explained that the level of bilateral relations was at a much lower level at the time.

The communist "PRAVDA" notes that two dozens of issues were discussed by Yeltsin and Major and wonders at what "space speed should have both sides discussed each item on the agenda". However, it recalls that Yeltsin made it clear upon arrival in Great Britain that talks would be laconic.

The "NEZAVISIMAYA GAZETA" says that the beginning of a series of major foreign policy actions of the Russian president seems to be successful. It stresses that the major action is still ahead - the talks with the US president.

"Yeltsin Builds New Bridges", the RABOCHAYA TRIBUNA said in its comments. "The "TRUD" noted that accord had been reached on all issues in London.

The "IZVESTIYA" noted that four important people from the presidential administration were not included into Yeltsin's entourage in Great Britain and the United States. They are his spokesman vyacheslav Kostikov, foreign affairs adviser Dmitriy Ryurikov, aide Georgiy Satarov and speechwriter Lyudmila Pikhoya who usually accompanied the president on all of his foreign trips.

"Something is wrong in our kingdom again", the newspaper commented and said that a split in the presidential entourage is either emerging or has already occurred.

The opposition "SOVETSKAYA ROSSIYA" newspaper analyses the new rating of ten most influential political leaders proposed by the NTV company on Sunday. It listed the prime minister first and the last was economist Grigoriy Yavlinskiy. Yeltsin was excluded from the poll and the daily said it was done to avoid confusions. "It is as if the president stands above them and looks down as the tsar on those lining up to get his throne", the newspaper said.

The "NEZAVISIMAYA GAZETA" proposes to find a new capital for Russia as the Moscow establishment, according to it, is dominating the country and damaging it. The transfer of the capital to a new place would ruin the links of the Moscow elite with mafia and limit the huge number of various state departments which have mushroomed in the years of "democracy" in horrifying numbers.

"IZVESTIYA" touches upon the chemical weapons problem, saying that "Russia lacks money" to eliminate them. Another topic is the spread of drugs in the country.

The "NEZAVISIMAYA GAZETA" devotes a whole page to "hot spots" on the territory of the former USSR. The Russian Government controls the situation in Chechnya well enough and should thus resort mostly to political and economic measures. However, in case of mass bloodshed and disorders the government has to act "in a tough way, adequately to the situation", the newspaper advises.

The military "KRASNAYA ZVEZDA" says that the State Duma committee on defence is still hoping to find additional finances for the army.

The ROSSIYSKIYE VESTI says that experts had established the cause of the A-310 airbus crash in Siberia near Mezhdurechensk and that the tragedy occurred because of Jana and Eldar, the children of the pilot, who were in the cockpit. Their "excursion manipulations" resulted in a chain of fatal consequences, the newspaper said.

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Reportage on Yeltsin U.S. Visit

Briefs Journalists on Agenda

LD2609153694 Moscow Ostankino Television First Channel Network in Russian 1300 GMT 26 Sep 94

[From the "Novosti" newscast; Aleksandr Shkirando Report]

[Excerpts] With his arrival today in New York, Russian Federation President Boris Yeltsin's visit to the United States has virtually started. [Passage omitted] Referring to the program of the visit itself, Yeltsin said:

[Begin recording] [Yeltsin] In Washington and Seattle, where I will be, we will hold a whole series of very major and very, very serious talks on absolutely all issues. So this will be an enormous, difficult, serious task.

[Unidentified Russian reporter] There are problems, aren't there?

[Yeltsin] I would not say problems, but we now have a completely new situation in the world, a new alignment [rasstanovka] which requires new approaches and not everyone is ready for this. So we need, somehow, to check that we are marching in tune. [end recording] [passage omitted]

[Shkirando] On the subject of his speech today at the UN General Assembly, Boris Yeltsin said to journalists on his arrival in New York:

[Begin Yeltsin recording] The most important thing for me is this speech, which will be a test. This is, after all, the first time a president of the Russian Federation will be giving a speech at a session of the UN General Assembly. [end recording]

Addresses UN General Assembly

LD2609184794 Moscow Russian Television Network in Russian 1927 GMT 26 Sep 94

[Text] Esteemed Mr. Chairman, esteemed Mr. Secretary General,

First of all I want to congratulate you, Mr. Amara Essy, on being elected to the high post of president of the present session of the UN General Assembly. I see in this a mark of recognition for the authority of your country in the world community.

Ladies and gentlemen,

The United Nations Organization is nearing its 50th anniversary. The whole world has become 50 years older along with it.

What is it like today? Has it become better, wiser? The main thing is what will the world be like that the present generation of people leave their descendants?

There is no state, no people that is indifferent to these questions. We are to find answers to them here, at the United Nations Organization.

This is particularly important for Russia. We are striving to understand in what kind of world we want to live, for the building of that kind of world we will not spare any efforts.

The new Russia was born in 1991 as a democratic state. The whole of the world community was a witness to these events.

For a few years now we have been engaged in extremely laborious work that is gigantic in scale. The essence of it is to get rid of the legacy of totalitarianism and "the Cold War."

Freedom has come to Russia. People have acquired the basic civil rights that they lacked for a long time.

The in-depth economic reform continues in Russia. A free market economy is being created. Each success of ours consolidates Russian democracy.

Russia has drawn a line under the Second World War. Our troops have been withdrawn from Germany, Central Europe, and the Baltic region. Russia does not threaten anybody today. Moreover, by its actions, at its own wish, and at the cost of no little effort Russia has removed from its own side every threat to the security of other states.

By its actions our country has made possible an end to confrontation in Europe and the creation of new structures of security there for all and not for the elect. The CSCE is to become a powerful motor of this process.

We expect from our partners too, more understanding of the problems of Russia's security. We reckon that they will be able to overcome the inertia of suspicion inherent in a world of blocs.

Russia is changing, it is finding itself again, but it always remains a great power.

Russia is ready for equitable cooperation in the framework of the world community, which in turn is accepting a participating Russia, an open Russia.

We want there to be no nuclear weapons or other kinds of weapons of mass destruction in the world. Effective monitoring of the nonproliferation of such weapons and of technologies connected with the manufacture of them is necessary.

Russia needs a world without wars and armed conflicts, a world without ecological catastrophes.

We are for the development of world economic links without discrimination.

Russia is for a world that is capable of withstanding terrorism, drugs trafficking, and other forms of international crime.

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Such titanic strides will require the efforts of all the United Nations. Here there can be neither soloists nor extras.

Of course one cannot do without new relations between the two major nuclear powers. I am sure that the whole world has a vital interest in the emergence of a strategic partnership between Russia and the United States.

I am ready for a serious and fruitful dialogue with President B. Clinton, who today made an optimistic forecast of our interaction.

Russia's economic and foreign policy priority is the countries of the Commonwealth of Independent States, the countries of the former union. Russia's link with them is closer than ordinary neighborship. It is rather blood kinship.

In practically all the countries of the CIS today there is a growing desire for closer cooperation, for real and not just declaratory integration. The basis of this integration is voluntariness and mutual benefit.

Attempts to play on the contradictions between countries of the Commonwealth are shortsighted.

The conflicts in a number of countries of the Commonwealth are a serious threat to the security not only of our country, but also of regional and world stability.

We have an acute interest in the active assistance of the world community in resolving these difficult problems. But the main burden of peacemaking on the space of the former union lies today on the shoulders of the Russian Federation.

Our efforts are not fruitless. A firm truce has already been established in Moldova. The peace process is making headway in Georgia, and hope has appeared for an end to the bloodshed in the area of Nagornyy Karabakh [Nagorno-Karabakh]. The first accords have been achieved on Tajikistan.

But it is too early to flatter oneself. It is well known how difficult the life of millions of Russians is shaping up in the new independent states. They were at home, but they turned out to be like guests and not always welcome ones.

We cannot remain indifferent to the fate of our compatriots. I am not talking about any special rights and privileges. But Russia will not understand it if I do not state the following from this tribune:

It is time for democratic states to prove in deeds that the defense of human rights is really a cornerstone of foreign policy. Neither selective approach nor double standards are acceptable here!

Two years ago the General Assembly adopted the Declaration of the Rights of Ethnic Minorities. We propose to agree at this session that its principles be included in the legislations of all the UN member states.

Russia does not separate solution to its problems from common problems. Therefore, work in the UN Organization has special importance for us.

The world is at a crossroads. The dramatic struggle between two opposite blocs is finally over.

With it the unsteady balance based on force and fear and reciprocal intimidation has receded into the past forever. But the world has not yet become calmer. Changes are bringing it not only hopes for a better future, but also serious worries.

Russia is not the only country to seek answers to the challenges of a changing world. Both reunited Germany, Japan, the United States, and other Western countries have come across a similar problem. These problems have not bypassed many states in Asia, Africa, and Latin America.

Fundamental changes in international relations are accompanied by the emergence of new problems.

An ever increasing number of countries see a solution in setting up and enhancing the efficiency of interstate structures. At the same time, this does not always stop the strengthening of separatist and nationalist ambitions.

A real flood of regional and local conflicts, manifestations of national, tribal, and religious hostility and economic, social, and political clashes has spread around.

The bleeding wound of Bosnia does not heal. It is a tragic paradox that after the "Cold War" ended seats of "hot" war should flare up in Europe again.

The unprecedented tragedy in Rwanda caused every person distress. It has become our common defeat.

But we take a look round: Are there really no other parts of the globe where "civilized" lawlessness is being perpetrated with regard to ethnic minorities—albeit in a more refined manner? Is there really no threat to their laws and safety? Have racism and antisemitism really become a thing of the past? Is there really no discrimination against those people who are counted in the category of "nonindigenous?"

Aggressive nationalism, which has been raised to the rank of state policy, presents an enormous danger to the whole of mankind.

The issues are all the more pressing since each of the local conflicts may call forth a real avalanche of geopolitical changes throughout the world.

The "Cold War" has ended. But its material infrastructure—the mountains of weapons and the military-industrial complexes of the developed states—have remained. The slow spread of nuclear weapons is potentially capable of turning them into a weapon of terror. Huge quantities of armaments are being offered for sale on foreign markets.

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Unfortunately, here the mercenary incentives frequently exceed the awareness of the danger posed by this process. This is essentially no more than an arms race, only transferred to the developing countries by means of the market.

The ever worsening ecological crisis, the spread of AIDS, and other dangerous diseases are also a reality of the end of the 20th century.

The lessons of history are hard to learn.

Just as before, the obsession with the idea of superiority is dangerous to the world's stability.

Over and over again the pathological refusal to accept things that are different is leading to numerous ethnic and religious conflicts.

The fear of an open political space may again end in a "Cordon Sanitaire" or an "Iron Curtain."

Let us be honest with one another: Until now, equality of rights, partnership, mutual advantage, and cooperation have to a significant extent remained words that continue to hide "state egoism."

This situation dictates the urgent need to form a strong security system based on the principles and mechanisms of cooperation "by everyone with everyone" and to reform the international institutions.

The system should respond to the new conditions and operate under the aegis of the United Nations.

I propose the following measures as a specific contribution toward the creation of the system:

First. Speeding up the talks on the conclusion of a comprehensive treaty banning the testing of nuclear weapons. Russia is in favor of it being signed next year when the UN marks its 50th anniversary.

Further steps should be considered to limit Russian and U.S. strategic nuclear weapons in order to create the conditions needed for the past "balance of fear" to be renounced in the long-term.

Second. The further development of measures for the nonproliferation of mass destruction weapons.

A decision needs to be adopted at the conference of the Nonproliferation Treaty signatories that is to take place in Spring next year on its indefinite and unconditional extension. And no one has the right to refuse this.

In our opinion, more precise guarantees of the safety of the nonnuclear states need to be granted here. We propose holding a special session of the Security Council at foreign minister level to agree and adopt a new resolution on so-called "positive" security guarantees.

Third. One needs to start a multilateral discussion on the regulation of the international arms and military equipment market.

Apart from this, the need has arisen to involve all the nuclear states in a process of reducing and limiting nuclear weapons.

We propose that the nuclear "Five" work out a "Treaty on Nuclear Security and Strategic Stability." It would envisage the end of the manufacture of fissionable materials for weapons; the prohibition of the recycling of fissionable materials in weapons; the continued destruction of nuclear ammunition, and also the reduction of strategic carriers.

Fourth. It would be expedient to begin discussing regional programs for strengthening peace and security.

Regional security systems are already being formed. I am referring to the Treaty on Collective Security of the CIS countries, of the former union, among other things.

It seems that the United Nations Organization could, at the present stage, undertake the coordination of the process of establishing regional security systems.

The final point. The experience of the last few years shows that withdrawing from the arms race is a difficult and expensive process. Conversion of the military industry involves extremely complicated economic and social issues, especially regarding the elimination of chemical and nuclear weapons.

It is important that the world community should pool its efforts in this sphere. Such interaction would raise the trust between various states on to a new level. A conference on international cooperation in the field of conversion could be held in 1996 under the aegis of the United Nations.

The implementation of these measures will make it possible to significantly stabilize the situation in the world.

However, in respect to long-term prospects they are insufficient.

Today the former, purely military concept of "security" has become obsolete. The spectrum of problems that humanity faces is much wider. The modern definition of security is inseparable from the concept of "stable development."

The world community is in dire need of a strategy for the 21st century—a strategy of common responsibility.

The following could be defined as its important guidelines:

Stable economic and social development not only for separate regions and states, but for the whole planet as a single organism. The human race must shoulder the responsibility for resolving this large-scale task.

Renunciation of the diktat of the strong over the weak. Any country, be it large or small, must feel its responsibility for maintaining order on the basis of law and morality.

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The indisputable recognition of human rights, including those of ethnic minorities. With all the diversity of cultures, traditions, and historical experience that various countries and nations have, basic human rights are of universal value and their devaluation cannot be tolerated.

Strengthening the ecological safety of the human race. The world is facing the threat of a serious crisis connected with the insufficiency of resources, the degradation of the environment, and with many other negative phenomena.

Common sense and the instinct for self-preservation call to us to stop using our dwindling resources to the detriment of nature, society, and man.

Russia supports the program "Global training and observation to preserve the environment." The more so since it would fit in completely with the strategy of common responsibility. We intend to actively participate in implementing this program.

At the same time, I stress that only if every participant in international interaction understands its own unique responsibility can there be common responsibility for the situation in the world.

Esteemed Mr. Chairman!

Ladies and gentlemen!

It might be said, rephrasing a well-known expression: "The UN is a good idea whose time has finally arrived."

I would like to note the great personal contributions of UN Secretary General Butrus Butrus-Ghali in the business of maintaining peace and the solution of regional conflicts.

For the UN to be as effective as possible in the 21st century it needs thoroughly considered reform.

Probably there will need to be changes both at the "center" and in the practice of specialized institutions.

There must also be changes in the Security Council, which must be a fairly compact and responsive body. This is all the more important because according to the Charter it carries the chief responsibility for maintaining peace and security on the planet.

We need to find a new relationship between law, morality, and force in world politics. The UN could play a decisive role in this quest in accordance with its Charter.

Russia is ready, as envisaged by Article 43 of the UN Charter, to sign an agreement with the Security Council to make national military contingents available for UN operations. Should this be supported by other states, too, we are prepared to begin implementing the concept of UN "reserve forces."

For more than a decade now there has formally existed a Military Staff Committee. According to the Charter it should "give advice and assistance to the Security Council on all questions concerning the Council's military requirements." May it at last occupy itself in fact with this. It is high time.

An urgent task is the working out of a strategy of peacemaking for forestalling crises and conflicts, and in case of need—also of operations for coercion to peace.

Russia is with specific deeds supporting the UN's efforts to create effective mechanisms for reacting in emergency humanitarian situations. We are ready to cooperate with all countries concerned in the strengthening of the world community's capacity for fast humanitarian reaction.

The many-levelled nature of the problems that we more and more often have occasion to come up against requires adequate solutions. The question is not about to whom should more rights belong—the UN, regional structures, or states.

The world system of the future will become really stable only in the event of it managing to find effective mechanisms of resolving problems at each of the levels: National, regional, and global.

The distribution of responsibility among them will permit the UN to remain a flexible, prompt-working structure, and to concentrate its efforts on the resolution of the really key problems facing mankind.

Russia reckons that all these questions possess important significance for the destines of the world community. Both the authority of the United Nations Organization and the future of world politics overall depend on how these questions are tackled.

Esteemed Mr. Chairman!

Ladies and gentlemen!

People have always strived toward happiness and prosperity. But history shows that these goals cannot be attained by crude force.

We are acutely aware of this again now as the 50th anniversary of the end of the Second World War, a date that is sacred for humankind, is approaching.

Let us remember with gratitude those who gave their lives for this great victory.

Let the year 1995 become a world year of remembrance of the victims of the Second World War.

For the sake of the living and those yet unborn, it is our duty to preserve peace and create stability on our planet. The humankind should at last begin to feel that this planet is its home, a warm and safe home.

Our civilization has always had many different faces and will remain so in future. In fact, it is on the diversity of cultures, traditions, and values that its capacity for development is based.

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We have now reached the point when the differing interests and aspirations of different peoples can be achieved only through interaction with one another.

The world community should do everything possible to establish a new concept of a state's influence, a state's greatness, of national pride and patriotism.

The UN is a child of peace. Fifty years ago, during a world war, it became finally clear that mankind's future lay in cooperation and tolerance, not in aggression and hatred.

Cooperation and tolerance are an uncompromising demand of the century to come.

This is the vital condition for ensuring our planet's future.

This is a unique opportunity for mankind.

I am convinced that the United Nations will undertake general responsibility for this and will not allow this opportunity to be missed.

I am convinced that the great dream of a world where all peoples and states have a worthy place will certainly come true.

Thank you.

Meets Clinton, Others at UN

LD2709083394 Moscow ITAR-TASS World Service in Russian 2233 GMT 26 Sep 94

[By ITAR-TASS correspondents Aleksey Agureyev and Aleksandr Pakhomov]

[Text] New York, 27 Sep—President Boris Yeltsin had a brief meeting with President Clinton at UN Headquarters where the leaders of two great powers had addressed the 49th UN General Assembly session during general political discussion on Monday [26 September]. "I met Clinton," the Russian president said to a group of journalists, including ITAR-TASS correspondents, at the airport before leaving for Washington. He did not give any details of the meeting.

Boris Yeltsin said: "Immediately after the speech at the General Assembly session there were meetings with the chairman of the 49th session and the UN secretary general. Many kind words were uttered. In my view, the ideas conveyed in my address were understood correctly. According to the UN secretary general, the wide range of proposals should be thoroughly studied."

In addition, Boris Yeltsin told the journalists that during his visit at the UN headquarters he had meetings with Armenian President Levon Ter-Petrosyan, Latvian President Guntis Ulmanis, Nicaraguan President Violeta Barrios de Chamorro, and Radovan Karadzic, leader of the Bosnian Serbs.

Comments on Security Council Members

LD2709085194 Moscow ITAR-TASS in English 2346 GMT 26 Sep 94

[By ITAR-TASS correspondent Aleksey Agureyev and Aleksandr Pakhomov]

[Text] New York September 27 TASS—Russian President Boris Yeltsin did not rule out the possibility that the UN Security Council may expand by including Germany, Japan and, maybe, African states.

"Surely, this issue will be solved by the Security Council", Yeltsin told reporters before leaving New York for Washington on Monday.

"It may be appropriate to increase the number of the members of the Security Council, for example, by five people, but under the condition that the present five permanent members will preserve the whole of their current status", Yeltsin said.

He added that the reform of the United Nations and its Security Council was discussed at the Sunday meeting with UN Secretary General Butrus Butrus-Ghali. "It is necessary to discuss this issue with other members of the organisation and to get ready for the reform", Yeltsin quoted Ghali as saying.

Calls for 'Stricter Talk'

LD2709083694 Moscow ITAR-TASS in English 2349 GMT 26 Sep 94

[By ITAR-TASS correspondents Aleksey Agureyev and Aleksandr Pakhomov]

[Text] New York September 26 TASS—Russian President Boris Yeltsin said relations with the United States can become "stricter", but added that "there would be no confrontation" in bilateral relations.

"It is possible that the talk will be stricter, but there will be no sidetracking from partnership between Russia and the United States in economic and political fields", Yeltsin told reporters before leaving New York for Washington on Monday for a summit with U.S. President Bill Clinton.

"All our agreements on the elimination of nuclear weapons, on banning nuclear tests and on other issues will undoubtedly remain as they are a big and useful contribution to the relations between our countries", Yeltsin said.

Addresses Businessmen in New York

LD2609213794 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 26 Sep 94

[Video report by correspndent Sergey Goryachev; from the "Novosti" newscast]

[Excerpts] [Goryachev] The Russian mission at the UN in New York looked like a besieged fortress this

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morning. Unprecedented security measures were being taken because the Russian president had come to America. His first meeting of the day was with American businessmen, the chairmen of major banks and companies, among whom there were former politicians who have retained their influence and power.

[Begin Yeltsin recording] I am pleased to meet once again the leading representatives of the business circles in the United States of America. To a great extent, it was through your efforts that America, its glory, its power, and its authority all over the world have been created. [end recording]

[Goryachev] Come to Russia, President Yeltsin told American businessmen. You will find that besides making money you can also make friends with people there. [passage omitted]

Businessmen also want this but they are still worried about bureaucracy in Russia and the constant breaking of law. However, the situation has changed today, Oleg Soskovets said after the meeting with businessmen.

[Begin Soskovets recording] There was a report by Russia's president, which said that reforms have become irreversible reality. The political situation in the country allows these reforms to be consistent and controllable, and therefore any references to instability in Russia precluding investment in our economy, industry, and agriculture are groundless today. [end recording] [passage omitted]

'Main Points' of Address

LD2609212294 Moscow INTERFAX in English 2015 GMT 26 Sep 94

[Text] Russian President Boris Yeltsin met with leading figures of the U.S. business world in New York Monday.

What follows are the main points of his address at the meeting.

Moscow intends to create favorable conditions for foreign investments in Russia.

For this purpose his government will:

- introduce legislation on investments through parliamentary acts or presidential decrees;

- carry out privatization for cash to attract investments, introduce state-of-the art technologies and increase production;

- develop a secondary stock market of privatized businesses;

- form the infrastructure for the investment process (investment banks, consortia of private investors and mixed, state and private, financing of investment projects);

- resolve the non-payment crisis;

- carry out a taxation reform with a view to adopting a tax code in 1995.

The Russian capital market was expanding chiefly by using domestic sources.

The wait-and-see attitude on the part of the West which had been justified once was outdated now.

According to the main points of Russian President Boris Yeltsin's address, Moscow and Washington could expand cooperation in the aerospace industry, telecommunications and car building.

The cooperation in space exploration could be extended to the aircraft industry.

The two countries could jointly develop a supersonic passenger plane which would halve the distance between the two countries.

The formation of an industrial alliance of the Russian ZIL automobile works and the leading U.S. corporations is a welcome development. The participation of General Motors in the construction of a car factory in Yelabuga, a town on the Kama river, a tributary of the Volga, marks a promising beginning.

Ford could join efforts with the Moskvich factory in Moscow or the car plant in Izhevsk.

Great hopes are pinned on Russian-American contacts in the field of conversion of defense industries to civilian production. The participation of U.S. companies in the development of two Russian oil and gas fields, in the Timan-Pechora area and on the Sakhalin shelf is highly appreciated.

The list of other areas of possible bilateral cooperation includes development of an up-to-date network of highways and modernization of railroads; setting up joint ventures and foreign- owned companies with the goal of replacing the entire fleet of locomotives, commuter trains, trucks and buses; joint ventures in the field of communication the Russian share of which could be the launching of communication satellites.

The Russian leaders believe that barriers that obstruct economic interaction between Russia and the U.S have to be removed. Above all, Russia must be exempt from the Jackson-Vanick amendment and discriminatory export controls and U.S. markets have to be opened to competitive Russian goods.

Moscow wants to be fully integrated into the world economy.

Russia plans to join the GATT and has agreed with the European Union to start discussion of a free trade area. It does not see any obstacles to discussing the establishment of a free trade area with the U.S. or Russia joining the North American Free Trade Area.

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Soskovets Comments on Meeting

LD2609211794 Moscow Radio Rossii Network in Russian 1800 GMT 26 Sep 94

[Text] Boris Yeltsin's visit to the United States continues. Our special correspondent Sergey Kolotilinskiy reports from New York over the phone.

[Kolotilinskiy] In New York today the Russian president began his working day with a meeting with the captains of U.S. major businesses. In fact, his interlocutors were the people who represent the business and political life of America. In particular, they were famous banker Corrigan and U.S. Former Secretary of State Kissinger for the U.S. side. Russia was represented by Oleg Soskovets, the first deputy chairman of the Council of Ministers, and a large group of businessmen from our country.

Oleg Soskovets commented on the conversation between the Russian president and the U.S. entrepreneurs. In the opinion of the first deputy prime minister of the Russian Government, first of all the conversation stressed our country's interest in U.S. investments. Incidentally they have grown recently, and the process of privatization in Russia facilitates this. According to Oleg Soskovets, this is being especially felt in the oil industry, where a manifold rise in investments is being observed.

The first deputy chairman of the government believes that it is especially interesting that none of the Americans asked questions regarding the political situation and stability in Russia. It looks as if the American side was pleased, too. In particular, in an interview with journalists, having expressed satisfaction with the meeting with the Russian president, Dr. Kissinger noted that he did not see any special obstacles to U.S. investments in the Russian economy.

Sergey Kolotilinskiy for Russia's Radio from New York.

Leaves New York for Washington

LD2609221894 Moscow ITAR-TASS in English 2110 GMT 26 Sep 94

[By unidentified ITAR-TASS correspondents]

[Text] New York September 26 TASS—President Boris Yeltsin left New York for Washington after delivering a speech at the 49th UN General Assembly on Monday.

He will hold talks with U.S. President Bill Clinton in the American capital.

In New York Yeltsin met UN Secretary general Butrus Butrus-Ghali and held a meeting with leading U.S. businessmen.

Foreign Ministry Aide on Yeltsin Visit

MM2709083794 Moscow ROSSIYSKIYE VESTI in Russian 27 Sep 94 p 3

[Interview with Sergey Gurov, deputy director of the Russian Foreign Ministry's North America Department, by Yuriy Popov; date, place not given: "Important, Businesslike, Working Trip"]

[Text] On the eve of President B. Yeltsin's trip to the United States Sergey Gurov, deputy director of the Russian Foreign Ministry's North America Department, answered our correspondent's questions about the upcoming summit in Washington.

[Popov] Sergey Sergeyevich, in what way do you think the latest Russian-U.S. talks will be significant? Will they not be a "critical moment," "epochmaking," and "historic," as we are accustomed to describe summit meetings on this scale?

[Gurov] In my view, the Russian president's coming visit to the United States is different from all the previous ones. You obviously remember that there were four official Russian-U.S. summit meetings in 1992-1994. This one is special in that we do not now expect talks to bring the start of a "new era."

This is more of a normal meeting geared to practical matters, a meeting between partners, representatives of states between whom relations universally recognized in international practice have been established. Partnership is already a reality in relations between Russia and the United States and a summit meeting is a routine phenomenon in relations between partners. This partnership is now "in operation." The first dividends have been earned—in particular, progress in the trade and economic sphere. Suffice it to mention the Commission for Economic and Technological Cooperation (cochaired by V. Chernomyrdin and A. Gore), which is coordinating the activity of six committees, including those developing business cooperation.

[Popov] How do you assess the state of present-day Russian-U.S. relations? What are we—friends, allies, or partners? After all, we were quite recently enemies, on different sides of the barricades.

[Gurov] Nonetheless I would describe our relations as more of a partnership. But this definition must not be understood as unconditional support for one another and following the same course in all issues—international policy and trade and economic cooperation. It cannot be otherwise. After all, relations between states, as is the case in even the best family, cannot be ideal. Each one, after all, has its own political and economic interests, which by no means always coincide.

That is quite natural. Historically we have of course developed considerably closer ties with the states that emerged in the post-Soviet area. America's development has taken a different path, it gravitates toward other regions. It is therefore impossible to avoid disagreements. It is necessary to learn to take them into consideration and try to find a compromise. Remember that in the not too distant past there were also disagreements among the socialist countries, and plenty of them, although they were concealed, attempts were made to

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hide them from "foreign eyes." It is thus necessary to defend and uphold one's interests and, at the same time, consider the positions of one's partners. But this must be done in a civilized, sensible manner, without harming others. So during the summit our leaders will also be looking at how this partnership is working and how to enhance its effectiveness.

[Popov] What might be discussed during the conversations between the Russian and U.S. leaders?

[Gurov] As I have already said, this meeting involves full-scale talks on a whole range of international and bilateral issues. The leaders of two friendly major world powers are meeting. As far as bilateral affairs are concerned, naturally they will primarily be talking about a whole range of issues pertaining to the trade and economic sphere. There are many avenues and questions here; we have things to say to the Americans, for instance, about trade restrictions, Russia's participation in the creation of the post-COCOM [Coordinating Committee for Multilateral Export Controls] period. The Americans will also have things to say to us: They are unhappy about the high duties on some output that we receive from the United States, and they are not totally happy with Russian legislation, particularly in the sphere of banking, investment, etc.

Thus, a lengthy discussion is anticipated. Especially since economic projects may be broached whose cost is estimated at tens and hundreds of millions of dollars. The presidents will evidently give political impetus to their implementation.

There is no doubt that problems of disarmament, the nonproliferation of nuclear weapons, mass-destruction weapons, and fissile materials will be broached. New ideas of strengthening strategic stability, the European architecture, the role of NATO and the prospects for its possible expansion, the situation in the hot spots, etc. will also play a definite role in the meeting.

[Popov] Clearly, economic cooperation with the United States promotes the implementation of reforms in Russia and its integration within the world economy. At the same time some of the public have the impression that we are pestering the West in our quest for aid. Do we intend asking for aid this time as well?

[Gurov] I have no information that this question is to be raised during the Washington talks in any form. We intend to pursue equitable, mutual beneficial cooperation and collaboration with the United States.

Commodity turnover is now rising steadily. In 1993 it stood at $4.3 billion ($3.4 billion in 1992), while the figure was $3.1 billion in the first half of 1994. For the first time in many years we have a trade surplus (with exports of $1.6 billion and imports of $1.5 billion).

We are hoping for changes in the procedure governing our commodities' access to the U.S. market. We believe that our partners seriously intend to exempt Russia from the notorious Jackson-Vanik Amendment.

It is well-known that since 1992 the United States has given us over $1.8 billion on a bilateral basis in the form of soft loans for purchases of food and for humanitarian, technical consultative, and other aid. There are plans to allocate another $0.4 billion in 1995. But if U.S funds are invested in our economy, they are not only developing it but also bringing "profits" for investors. So, there is mutual interest in this.

As for which sectors will receive investments, that depends on the holders of these investments, who naturally want to receive the greatest possible return, and on us ourselves, our ability to regulate the flow of capital investment. But we should not expect mere charity from businessmen, nor should we expect them to invest money solely in those spheres where they will have to wait years to see a profit.

This is also borne out by practice. Indeed, some businessmen—not only U.S. but also other Western businessmen—are primarily focusing on the oil and gas complex. But then, Russia too benefits from its further development.

On the whole this will be an interesting visit. It will be, as it were, an extension of the London talks and the president's speeches at the UN General Assembly session. There is every reason to believe that the two presidents' upcoming talks will consolidate the emergent Russian-U.S. mutually beneficial business partnership and serve as a powerful spur to its deepening and development.

Talbott Cited on U.S.-Russia Relationship

MM2609194594 Moscow IZVESTIYA in Russian 27 Sep 94 pp 1, 3

[Report on interview with U.S. Deputy Secretary of State Strobe Talbott by unnamed IZVESTIYA correspondent: "Inviolable friendship of Bill and Boris Strengthens with Each Summit. Chief Adviser to U.S. President on Problems of the Former Soviet Union Gives Interview to IZVESTIYA Correspondent"]

[Text] Washington—An hour before the beginning of the interview which U.S. President Bill Clinton had agreed to give to correspondents of Central Television and the newspaper IZVESTIYA, presidential aides informed us that he was very busy, therefore U.S. Deputy Secretary of State Strobe Talbott would reply to questions on the Russian president's forthcoming state visit.

The journalist Talbott, who was a classmate of Clinton's at Cambridge [as published] University, where they shared a room in a student dormitory [as published], was expressly invited into the new administration to deal with issues relating to the former Soviet Union. He will be the only other person present at the one on one

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conversation between Boris Yeltsin and Bill Clinton at the White House on Tuesday.

Summit meetings of the period of Soviet-American relations were marked by their great pomposity and high degree of ceremony. On this occasion they will try to avoid all this. "No particular fuss is going to be made over this meeting," Strobe Talbott said. He said that the reason for this lack of show was the nature of the present relations between Russia and the United States, which "have not been so good as they are at the present for many, many years."

In past last few days, more and more reports have appeared in the U.S. press about President Clinton's intention to raise with Boris Yeltsin the question of lowering customs tariffs which are becoming an obstacle to American business in Russia that is hard to surmount. The commentators think that it is intolerable even for an economy which describes itself as relatively free to fence off its market with high customs tariffs as is the case in Russia.

"Presidents Clinton and Yeltsin met for the first time in Vancouver at the very beginning of the Clinton presidency," the deputy secretary of state said. "At that time the main issues were technical and humanitarian aid. Now discussion will be about trade and investments. Also, I am sure that much thought will be given to how to jointly achieve the integration of Russia and the industrialized countries of the West.

"When Presidents Clinton and Yeltsin met for the first time in Vancouver, President Yeltsin made it clear how important it was to treat Russia like a democratic country and not as the Soviet Union's ideological heir. President Clinton understood this and began to work very, very seriously on fulfilling the promises he had given President Yeltsin about removing what we call the vestiges of the Cold War. Working tirelessly with Congress, the President removed more than 60 different points and paragraphs in U.S. legislation which to some degree or another portrayed Russia not as a democratic state deserving the full respect of the United States and the rest of the world, but as a communist country. Several days ago President Clinton informed the U.S. Congress that the Russian Federation is now observing the principles of free emigration which were the subject of the Jackson-Vanik amendment. This is a great step forward and means that the goal set by Presidents Clinton and Yeltsin is being realized."

Talbott spoke about the recent conference held by the U.S. President at which he was present. Clinton heard a report from his main military advisers—Secretary of Defense William Perry and Chairman of the Joint Chiefs of Staff John Shalikashvili—on the state of nuclear arsenals and the future of nuclear missile programs in both countries.

"The report made a deep impression," Talbott said, having in mind the impression it made on the President. "It showed an incredibly sharp reduction of nuclear weapons in both powers' arsenals. The generation to which President Clinton belongs—which is also my generation—remembers very well the time when we were at school. From time to time, actually quite often, we would have these exercises during we would hide beneath our desks and get ready for a nuclear attack from the Soviet Union. This is what has remained in the memories of all Americans of my generation."

In reply to a question about specific U.S. aid to its former adversary, Talbott reminded us about the Nunn-Lugar Program (named for the senators who co-wrote it) which Congress has adopted.

"In accordance with it, $1.2 billion are being appropriated to dismantle weapons in the former Soviet Union," Talbott said. "In other words, the program extends not only to the Russian Federation but also to Kazakhstan, Belorussia [Belarus], and Ukraine."

The deputy secretary of state believes that organized crime is really complicating U.S.-Russian economic contacts, although he refuses to lay all the responsibility for its effects on Russia: "International crime is an international problem."

In Talbott's view, the main victim of organized crime and the corruption of state bureaucrats is private business which wants to have dealings with Russia.

"The question of whether to consider Russia a country with a transitional economy has been under discussion for more than a year now. It is linked to the nature of the Russian economy. American laws depict Russia as a country with a non-market economy. But this no longer corresponds to the facts. Privatization in Russia has gone a long way. You have implemented serious measures to get inflation under control, having, incidentally, damned many skeptical prognoses, including those about exports," Talbott noted. "You can rightfully describe the Russian economy as transitional—with all the attendant benefits in international finance and trade."

The mass media in both countries are discussing the nature of the personal relations which have been established between the U.S. and Russian Presidents. In reply to a question on this, Talbott said:

"There is no doubt that a sincere friendship exists between Presidents Clinton and Yeltsin. It began very early and has been strengthening since they first met in Vancouver. You can feel this friendship when they are together, you can sense it when they talk on the telephone. I think that this is an important factor with a positive influence on relations between the two countries and governments."

However, states and governments do not act on the basis of personal relations, Talbott said. They act on the basis of interests which fundamentally coincide or diverge. Our interests, of course, both coincide with and diverge from those of Russia. However, our present differences

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are of a completely different order than those which existed previously between the Soviet Union and the United States. The previous differences were radical and fundamental. Our current differences with Russia are less significant than what unites us....

Chernomyrdin, Gore Discuss Trade Barriers

LD2609201894 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] Russian Prime Minister Viktor Chernomyrdin and U.S. Vice-President Albert Gore had a scheduled telephone talk Monday.

A Russian government's press office says that the two men discussed joint projects of equal partnership on the markets of the two countries. They raised the issue of removing trade barriers such as the Jackson-Vanik amendment. Chernomyrdin and Gore exchanged views on development of bilateral cooperation as a follow up on the third round of the Russian-American Commission for Economic and Technological Cooperation held last June.

The agenda, date and venue of the fourth meeting were discussed. It will be held in Moscow next December.

Chernomyrdin had a telephone talk with Michel Camdessus, the International Monetary Fund managing director, on the same day.

They discussed additional issue of the Special Drawing Right [SDR], a kind of currency reserve.

The IMF provisional committee meeting to be held in Madrid on October 2 will discuss four alternative options of issuing the SDR. If a positive decision is made, Russia (which has never used it) will be able to draw an amount equivalent to about $2.5 billion.

The possibility of raising the quotas and of granting a system transformation credit was discussed. If the provisional committee agrees, Russia will be able to have an additional credit of up to $3 billion.

Commentary on Expected Summit Results

MM2709081794 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 24 Sep 94 p 1

[RIA report: "Grigoriy Yavlinskiy: 'We Must Not Expect Democracy from the West'"]

[Text] Moscow, 23 Sep—We should not expect "superspecial" results from this meeting of the Russian and U.S. presidents, Grigoriy Yavlinskiy, leader of the Duma's "Yabloko" faction, told a RIA correspondent. After voicing the opinion that Boris Yeltsin and Bill Clinton are "exchanging opinions on the progress of economic reforms in Russia," Yavlinskiy emphasized: "No one will give us democracy and a market—we must do all this for ourselves."

Touching on the Russian president's speech at the UN General Assembly session, "Yabloko's" leader expressed the hope that Boris Yeltsin's speech "will contain a number of points which will shed light on Russia's foreign policy."

U.S. Said To Offer Mediation Services in Karabakh

MK2709084094 Moscow NEZAVISIMAYA GAZETA in Russian 27 Sep 94 p 1

[Report by Dmitriy Gornostayev under the "Visit" rubric: "Is America Offering Russia its Services as Peacekeeper in Nagorno- Karabakh? Washington Continues Policy of Soft Pressure on Moscow on Eve of Yeltsin-Clinton Summit"]

[Text] It seems that a series of large-scale foreign policy actions by Russian President Boris Yeltsin is off to a fairly good start. The head start was achieved on the eve of what appears to be the main scene—talks with the U.S. head of state, Bill Clinton, which will begin today in Washington.

So, Yeltsin spent last weekend on the shores of misty Albion, where he met with British Prime Minister John Major. The results of the meeting cannot be qualified as unexpected. Both leaders' statements to the effect that there are effectively no problems between Moscow and London only confirmed the results achieved at the meeting in the Kremlin back at the beginning of this year, when the distinguished guest from Britain was on an official visit to the Russian capital. This time, Yeltsin and Major had to talk about another Moscow visit from Britain—by Queen Elizabeth II—scheduled for 16-18 October.

But what appears to be most important, the two sides confirmed the convergence of their views on one of the crucial international issues—the Bosnian conflict. Both the Kremlin and Downing Street categorically oppose lifting the embargo on arms sales to the Muslim government of Bosnia and Herzegovina, something that is being actively urged by Washington.

Thus, in the view of a high-ranking Russian diplomat, the following situation has come about in the Bosnian area: Europe—Russia, Britain, France, and Germany—is in opposition to the United States.

This standoff is unlikely to be effective: the five partners in the contact group have pledged to help stop the conflict by joint efforts, not to cause a split inside the coalition.

After his trip to Britain, on 25 September Boris Yeltsin left for New York to attend the UN General Assembly. Late yesterday night (Moscow time) he addressed the world community. In particular, his speech touched on the problem of peacekeeping. Owing to the large time difference, NEZAVISIMAYA GAZETA cannot dwell in detail on the presidential address at this stage, and

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invites its readers to learn details from tomorrow's issue. A little bit earlier, Bill Clinton took the floor at the UN General Assembly. As a matter of fact, as NEZAVISIMAYA GAZETA has learned from a well-informed source in Washington, during the summit the American side through its President is planning to offer Russia U.S. services in a settlement of the Karabakh conflict, or, simply speaking, its involvement in an area that is largely a Russian sphere of interests.

It is hard to guess in advance how Yeltsin will react to a proposal from his friend, Clinton. Moreover, in the run-up to their meeting, the latter said that Russia would do well to resolve its territorial dispute with Japan, in what appears to be yet another example of the United States' soft pressure on Russia. What is holding out hope, however, is the fact that President Yeltsin and Foreign Minister Andrey Kozyrev stated fairly firmly the other day that Russia and the West should pursue a policy of partnership, not of diktat. The Russian head of state will evidently remember that during the upcoming talks with his American counterpart.

Results of Yeltsin-Major Meeting Viewed

MM2709100794 Moscow ROSSIYSKAYA GAZETA in Russian 27 Sep 94 p 1

[Report by ITAR-TASS correspondents Nataliya Kirsanova, Nikolay Pakhomov, and Viktor Solomin: "J. Major: The Visit Was Useful and Pleasant"]

[Text] The two-day working visit of Russian President Boris Yeltsin to Britain has ended. In the course of confidential, informal talks, held in a friendly atmosphere, B. Yeltsin and J. Major discussed various aspects of the development of bilateral partnership and international cooperation and the progress in preparing for the official visit to Russia of Queen Elizabeth II.

"Relations between the two countries, Britain and Russia, have never been as good as they are now," the president of the Russian Federation declared. "We discussed some 20-25 issues, and we agreed on all of them—which is rare." "We were able to combine a pleasant stroll with a very packed program of talks," he added. "It was a working meeting, and precisely because it was of this nature that we were able to conduct a sincere, amicable, and totally frank exchange of opinions. That is particularly useful for me before my speech at the UN General Assembly and my visit to the United States."

The British prime minister also made an equally high assessment of the talks that were held. "This visit," he said, "was of a quite special nature. It was simultaneously useful and pleasant, and this rightly reflects the very friendly relations between our countries." "Just a few years ago no one could have imagined that unprecedented discussions could take place between us in terms of their nature and content," Major emphasized.

Both leaders consider the official visit to Russia of Queen Elizabeth II, due in October, an "historic and unique" event. "I have called this an historic visit," Yeltsin explained, "because it signifies, chiefly, that Russia has firmly embarked on the path of democratic development. That is what is very, very important. We will do everything to ensure that this is an excellent visit."

Further evidence of the new level of British-Russian relations was provided by the intention of the two countries' governments, announced at a news conference, to exchange delegations at the time of the celebrations marking the 50th anniversary of the end of World War II. "Next May we will mark the 50th anniversary of the establishment of peace in Europe," the head of the British cabinet declared. "We have agreed that both governments will be represented at a very high level in the anniversary events."

Boris Yeltsin informed the British head of government in detail about the great positive changes in the political and economic situation in Russia and about its peacemaking efforts in hot spots in the CIS. We have extinguished the flame of interethnic enmity in Moldova and Ossetia, our peacemaking armed subunits have occupied positions between Abkhazia and Georgia, and there is no more war there. The problem of the refugees' return has now arisen there, but we are somewhat surprised that Western countries are not participating in this, the Russian leader emphasized.

John Major acknowledged the significant progress made over the past 15-18 months in relations among the CIS countries. President Yeltsin, he pointed out, displays restraint and political courage in his approach to these difficult problems, particularly in relations with Ukraine.

In John Major's opinion, the CSCE structures should play a big role in guaranteeing the rights of ethnic minorities, including the 25 million Russians who have ended up outside Russia. The British leader believes that the CSCE can make a decisive contribution to settling the conflict in Nagorno-Karabakh and other hot spots in the CIS. Major reported that he had proposed to Boris Yeltsin that they cooperate in preparing for this international organization's summit, which will be held in Budapest in December.

The British premier advocated expanding cooperation between the European Union and Russia, also emphasizing the importance of initiatives such as the "Partnership for Peace" program for "cementing" ties with the Russian Federation.

Envoy Discusses Easing of UN Serbia Sanctions

LD2609183194 Moscow NTV in Russian 1600 GMT 26 Sep 94

[Video report by correspondent Zaraelyan with recorded remarks by Vitaliy Churkin]

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[Excerpt] The last two resolutions of the UN Security Council on the Bosnian crisis have aroused controversy among the parties to the Balkan conflict. In particular, the resolution that envisages tougher sanctions against the Bosnian Serbs has been described by the Serb leadership as perilous for the cause of peace in this long-suffering republic. The other resolution, on partial lifting of sanctions against Belgrade—as a sign of encouragement for Yugoslavia after it had closed the border with Bosnia and cut off all supplies except humanitarian aid—is regarded as a great victory by Russian diplomacy.

[Churkin] For the first time since the beginning of the conflict in former Yugoslavia, Belgrade's policy was described in terms of great approval by the world community. The first set of sanctions, as my colleagues and I call them, have now been suspended. It means that Belgrade airport is opening for international passenger flights, the ferry service is also opening between Bar, a town in Montenegro, and Bari in Italy. The third element—the sanctions which, as you remember, were introduced against sports and cultural exchanges are also suspended. [end recording] [passage omitted]

Churkin Urges Resumption of Contacts

LD2609165694 Moscow ITAR-TASS World Service in Russian 1536 GMT 26 Sep 94

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[Text] Moscow, 26 Sep—The Russian Foreign Affairs Ministry is appealing to all interested Russian departments and organizations to resume contacts with their partners in the Federal Republic of Yugoslavia. This was the statement made today at a meeting here with journalists by Russian Deputy Foreign Minister Vitaliy Churkin. In view of the partial lifting of sanctions against Belgrade last Friday by the UN Security Council, he noted that "this process should be begun right now."

The deputy minister believes that the adoption by the UN Security Council of a resolution easing sanctions has "political and moral importance" for the FRY, chiefly because Belgrade's policy throughout the development of the Yugoslav crisis has been assessed positively by the world community. A decision to suspend restrictions on civilian passenger flights to and from Belgrade for a period of 100 days has been made as a practical way of encouraging the peace efforts of the Yugoslav leadership. This also affects commercial maritime freight and FRY participation in international sports competitions and cultural exchanges.

Setting out Russia's stance, V. Churkin said that further positive steps by Belgrade "will meet a specific benevolent response from our side." He indicated in particular, that during the trial period given to the FRY, Russia would work toward the adoption of "several other" measures to ease the sanctions still in force against the republic. We reckon, the diplomat said, that Aeroflot will begin regular flights to Belgrade very soon.

Moscow Welcomes Sanctions Suspension

LD2609164394 Moscow INTERFAX in English 1408 GMT 26 Sep 94

[Text] Russia welcomes the adoption of two UN Security Council resolutions, one of which condemns the Bosnian Serbs for refusing to accept the Contact Group's plan for a peaceful settlement, and the other provides for suspending some of the sanctions imposed against Belgrade. "We view these resolutions as extremely important," a senior member of Russia's Foreign Ministry told Interfax on Monday.

He said that under the resolution on suspending sanctions Belgrade's airport opens for civilian aircraft, ferry communication resumes between the ports of Bar in Montenegro and Bari in Italy, and the ban on cultural and sports contacts with Belgrade is lifted.

The resolution on suspending sanctions will be in force for 100 days, during which the world community will closely watch if the border between the new Yugoslavia and Bosnia-Herzegovina is sealed or not.

He said "a qualitative change in the world community's attitude to Belgrade is in evidence." "For the first time in the past two and a half years sanctions against Yugoslavia were suspended, not toughened. This is a result of the resolute turn made by Serbia's President, Slobodan Milosevic, and the leadership of Serbia, who had supported the peace plan, not without Russian assistance," the diplomat said.

As for the sanctions against the Bosnian Serbs, they will be considerably toughened under the other Security Council resolution. "The Bosnian Serbs doomed themselves to international isolation. In accordance with the new resolution all political contacts with them, with the exception of those maintained by the UN protection forces in the former Yugoslavia, are ended," he said.

"Moscow has no intention of defrosting its contacts with the Bosnian Serbs," the diplomat pointed out. "We expect them to approve the peace plan. If Belgrade continues to pursue a tough policy toward the Bosnian Serbs, they will have to agree to the peace plan," the diplomat said.

According to the diplomat, under the new circumstances the issue of lifting the embargo on arms supplies to the Bosnian Muslims rises to the foreground. "The problem is aggravated by the fact that the US President, Bill Clinton, tied himself by the pledge to lift the embargo, if the Bosnian Serbs fail to approve the peace plan before October 15. This narrows the ground for maneuvers," he said. "In the meantime Russia continues to believe that the lifting of the embargo would pose a catastrophe for the peace process in Bosnia- Herzegovina. This step

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would mean the start of a new spiral of civil war and an end to all UN peace-keeping operations there."

According to the diplomat, the possibility of lifting the embargo will be a key issue to be discussed between President Boris Yeltsin and President Bill Clinton this week.

For more details see today's Diplomatic Panorama.

Churkin Warns Bosnian Serbs Against Firing

LD2609162494 Moscow INTERFAX in English 1540 GMT 26 Sep 94

[From the "Diplomatic Panorama" feature: reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terkhov, and others]

[Text] A shot fired at any peacekeeping force soldier in the Bosnian war zone is likely to ricochet at a Russian soldier and this is absolutely inadmissible, Vitaliy Churkin, Russian President's special envoy and deputy foreign minister, said at a briefing in Moscow Monday.

Asked by an Interfax correspondent to comment on the threats made by Bosnian Serbs against the international peace force in former Yugoslavia, Churkin said: "We warn the Bosnian Serbs in the most serious way against such actions."

Churkin also said that the UN Security Council resolution suspending certain sanctions against Belgrade would not be in force before the UN general secretary had a report that the Yugoslav- Bosnian border had been effectively sealed. He said that this had to occur before the end of September.

Churkin recalled that under the resolution the sanctions would be suspended for 100 days. He expressed the hope that Belgrade's subsequent constructive behavior would be encouraged in a tangible way. Churkin added that Russia would work for further steps in that direction without waiting until these 100 days end. He emphasized that three and a half months were too long for the Bosnian conflict.

Replying to another Interfax's question Churkin said that the world was becoming aware that Belgrade and Bosnian Serbs are different people. He also believed that, once the were lifted, sanctions were nearly impossible to reimpose. This is why, he explained, time, probably much time, will be needed to lift all the sanctions.

Russia welcomes the adoption of two U.N. security Council resolutions, one of which condemns the Bosnian Serbs for refusing to accept the Contact Group's plan for a peaceful settlement, and the other provides for suspending some of the sanctions imposed against Belgrade. "We view these resolutions as extremely important," a senior member of Russia's Foreign Ministry told Interfax on Monday.

According to him, under the resolution on suspending sanctions Belgrade's airport opens for civilian aircraft, ferry communication resumes between the ports of Bar in Montenegro and Bari in Italy, and the ban on cultural and sports contacts with Belgrade, envisaged in Resolution 757 issued by the U.N. security Council, is lifted. "A window to Europe opens for the new Yugoslavia, and it ceases to be an outcast of the world community," the diplomat said.

The resolution on suspending sanctions will be in force for 100 days, during which the world community will closely watch if the border between the new Yugoslavia and Bosnia-Herzegovina is sealed or not. "If it is proved that the Bosnian Serbs get only humanitarian cargoes, such as foods and medicines, from Serbia, the suspension of sanctions against Belgrade will become indefinite," he said.

According to Interfax's interviewee, "a qualitative change in the world community's attitude to Belgrade is in evidence." "For the first time in the past two and a half years sanctions against Yugoslavia were suspended, not toughened. This is a result of the resolute turn made by Serbia's President, Slobodan Milosevic, and the leadership of Serbia, who had supported the peace plan, not without Russian assistance," the diplomat said.

As for the sanctions against the Bosnian Serbs, they will be considerably toughened under the other Security Council resolution. "The Bosnian Serbs doomed themselves to international isolation. In accordance with the new resolution all political contacts with them, with the exception of those maintained by the U.N. protection forces in the former Yugoslavia, are ended," he said.

"Moscow has no intention of defrosting its contacts with the Bosnian Serbs," the diplomat pointed out. "We expect them to approve the peace plant. The Bosnian Serbs ought to realize at last that the time for talk is over, and that they have reached the deadline," he said.

"If Belgrade continues to pursue a tough policy toward the Bosnian Serbs, they will have to agree to the peace plan," said Interfax's interviewee. "This concerns the political leaders of the Bosnian Serbs. The ordinary people got tired of the "Bosnian carnage" long ago," he noted.

According to the diplomat, under the new circumstances the issue of lifting the embargo on arms supplies to the Bosnian Muslims rises to the foreground. "The problem is aggravated by the fact that the U.S. president, Bill Clinton, tied himself by the pledge to lift the embargo, if the Bosnian Serbs fail to approve the peace plan before October 15. This narrows the ground for maneuvers," he said. "In the meantime Russia continues to believe that the lifting of the embargo would pose a catastrophe for the peace process in Bosnia- Herzegovina. This step would mean the start of a new spiral of civil war and an end to all U.N. peace-keeping operations there."

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According to the diplomat, the possibility of lifting the embargo will be a key issue to be discussed between President Boris Yeltsin and President Bill Clinton this week.

Kozyrev Advocates Cooperation With West

BR2609130794 Amsterdam DE VOLKSKRANT in Dutch 23 Sep 94 p 9

[Article by Foreign Minister Andrey Kozyrev: "Russia Wants To Be Treated as Equal"]

[Text] I do not believe in the inevitability of a "conflict of cultures," nor in the inevitability of a confrontation between North and South. Most of the recent crises in the world were not caused by conflicts between states, but by developments within individual states themselves.

At this time a situation is prevailing in many countries in which national governments are confronted with ethnic or regional conflicts of which they have scarcely any grasp. This is a situation for which the international community must be seen to be finding a solution.

As far as I am concerned, these internal problems are the most important reasons to enhance countries. However, the Western countries must also keep an eye on this reality when defining their policy toward Russia for the coming decades. It will depend in part on the way in which they treat us: Either emotions in the still unstable Russia will run even higher, or they will simply simmer down.

Cooperation must take place within a multipolar world, in which the economic factor has become more important than the military factor. The new world order rests primarily on a number of organizations whose aim is integration, such as the European Union, the North American Free Trade Association, and the Association of South East Asian Nations, which has recently had new life breathed into it.

I am convinced that the Commonwealth of Independent States, in which there is an increasing desire for cooperation, can play a major role in this order, provided that Russia continues down the path toward democracy.

However, although a multipolar world provides a structure, in itself it is no guarantee of international stability and security, or of economic growth. The result of ethnic and regional rivalries, and of aggressive nationalism is that the world may slip into a new period of "mutual deterrence," or into a system of hostile alliances, as was the case during the period just before World War I. The events in the former Yugoslavia and in parts of the former Soviet Union give an indication of what is in store for us if ethnic intolerance is raised to the level of government policy.

It is inconceivable that Russia will return to communist totalitarianism. The point of no return has been reached as far as that is concerned. However, uncertainty is still prevailing regarding other fundamental issues concerning Russia's future and its role in the world.

Boris Yeltsin's reform policy is still running into powerful opposition, not so much from the former Communists, but from groups flying the flag of nationalism and neo-fascism. These groups appeal to the feelings of national humiliation which arose from the fall of communism and the disintegration of the Soviet Union.

Until recently, the contest between the democratic and imperialistic forces took the form of an open confrontation between the president, who was elected directly by the people, and the Parliament, which was still a remnant of the Soviet era. This confrontation led to the tragic events of October 1993, when the leaders of the former Supreme Soviet unleashed bloody incidents by their actions.

The situation has changed drastically since December 1993. A new constitution has been drafted, on the basis of which elections for a new Parliament were organized. This laid the foundations for the democracy, and the most important political and social groupings signed an agreement in May 1994 to promote social order, thus creating the necessary conditions for a national development which has no more room for violence.

However, now that the foundations have been laid for this democracy, this makes new demands on foreign policy. The Russian democrats will no longer be able to call themselves democrats if they reject the body which has the casting vote in a democracy, public opinion.

The result is that the supporters of the democratic or imperialistic line are now out to win the support of the people above all. This fight is typical of the current Russia and it means a radical break with the past. The situation on which the West based its relations with us for decades no longer exists. First and foremost, all, when defining their policy, the Russian reformers and their foreign friends must take account of how their proposals will be met with by the people.

The Russian democrats have the task of convincing Russian public opinion that the national interest can only be promoted within the framework of a democratic and open foreign policy and that the concept of a Greater Russia should bring to mind the Russia of Sakharov, not the Russia of Zhirinovskiy.

If the West wants to help the democrats then it must develop a policy that will not strengthen the feelings of national humiliation. As a first step, it should let the Russians know that the world needs Russia and that the West views Russia as a strong partner, a partner that has earned its place in the community of free and democratic countries. At present, we often get the impression that Russia is viewed as the "sick man" of Europe and Asia, and looked on with distrust.

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The best contribution which the West can make to stability in Russia is to implement a policy that moves toward Russia's legitimate ambition to function as a democratic pillar of the world order. This is the best way to prevent the resurgence of Russian nationalism.

However, if the West should take action to isolate Russia by means of a new Iron Curtain and sanitary measures, including economic embargoes, then it will only strengthen the old feeling of alienation and provide a rich soil for nationalistic and imperialistic extremism.

For this reason, we insist that anyone who cooperates with Russia today should treat the Russians as equals, instead of taking a paternalistic posture, as if the country is some sort of historical loser that still has to learn how to walk.

Baltin Criticizes Black Sea Fleet Division

LD2609124594 Moscow ITAR-TASS in English 1229 GMT 26 Sep 94

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow 26 Sep (TASS)—According to the commander of the Black Sea Fleet, Admiral Eduard Baltin, the division of the fleet is an act which makes no sense and can only harm both Russia and Ukraine.

"Sevastopol and the fleet exist as part of one whole, and any attempt to divide the two is in defiance of common sense, as is, by the way, the intention to split up the Black Sea Fleet, since that would be equivalent to the fleet's destruction", Admiral Baltin said. Baltin said Sevastopol should remain the Black Sea Fleet's main base.

The admiral said that was important "not only from the point of view of the internal problems of the city and the Crimea. The geopolitical and military interests of Russia and Ukraine are caught up" in this question, he said. "The division of the fleet, its relocation, or any reduction in its infrastructure would mean the loss of both countries' position on the Mediterranean Sea theatre and the undermining of their authority on the international scene", the admiral said.

"In front of me I have a report from the financial and economic department of the Black Sea Fleet on payments and taxes which the fleet has made into the Ukrainian budget over six months. The sum is no less than 232 billion karbovonets. The payments are made on the basis of 15 different articles", the commander said. "For example, the fleet's pension fund received 60.6 billion karbovonets over the half year, the Chernobyl fund, 20.5 billion, and so on. The land tax added up to about 105 billion karbovonets. Every square metre of earth in this city costs us 1200 karbovonets", he reported.

"If one added up all the Black Sea's expenses until the end of this year, they would reach more than two trillion karbovonets, or one quarter of the fleet's finances", Baltin pointed out. As a result, "The Black Sea Fleet has been factually renting the base since the end of last year. In addition, the fleet's payments give Ukraine the chance to spend part of that money on building up its own naval forces".

Ukraine, in reality, stopped financing the fleet in 1993, since the state's coffers are empty. The Ukrainian Parliament passed a resolution decreeing that its naval forces were exempt from paying the land tax. Since that exemption still remains n force, the fleet has practically been reduced to a foreign grouping, the admiral stated. At the same time, "Ukraine is not against our training mobilized reserves for her. I am referring to the more than 15 thousand Ukrainian sailors who are yearly dismissed after serving on the fleet's ships and divisions".

Asked what would happen to Sevastopol if the fleet relocated to a different place, the commander replied: "If that happens, and I do not believe it will, it would be a catastrophe for the city, it would cause a social explosion, since every fifth resident of Sevastopol is somehow or other materially associated with the fleet. They are family members of officers or sailors, workers in military enterprises, support crew for the ships. Their salaries, which come from the Russian budget, are more than 2.5 times higher than the average Ukrainian salary. The fleet's military hospital took in 14 thousand patients this year, two-thirds of which were pensioners. The fleet now rents out one-quarter of all the newly-built housing in the Crimea. One square metre of our housing is cheaper than the same amount anywhere else in the republic", Baltin said.

According to the fleet commander, the only way for the two Slavic states to find their way out of the dead end the fleet has ended up in is through a closer political, economic, and military union. "Despite everything, the fleet is still battle-ready, still under the control of its officers, is able to handle difficult peace- keeping operations, and plays a stabilizing role", Admiral Baltin said.

Yeltsin, Kuchma To Hold Talks in Kiev

MK2709081094 Moscow SEGODNYA in Russian 27 Sep 94 p 1

[SEGODNYA-POSTFACTUM report: "Preparation for Russian- Ukrainian Summit Continues"]

[Text] Boris Yeltsin will arrive in Kiev to meet with Leonid Kuchma sometime in mid-October. A high-ranking Russian diplomat has underlined that at the present time, Russia is not interested in Ukraine's joining the ruble zone since Ukrainian finances are in disarray.

Kozyrev Kiev Visit, Ukrainian Economy Viewed

MM2709082794 Moscow KRASNAYA ZVEZDA in Russian 24 Sep 94 p 2

[Report by Grigoriy Nesmyanovich: "A. Kozyrev Visits Kiev"]

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[Text] Kiev—Andrey Kozyrev, head of the Russian foreign policy department, has made a relatively upbeat assessment of the state of affairs in Russian-Ukrainian relations on the eve of the meeting between the two countries' presidents and the signing of the interstate treaty of friendship, cooperation, and partnership.

During his visit to the Ukrainian capital he had confidential talks with President Leonid Kuchma and working meetings with Premier Vitaliy Masol, Foreign Minister Hennadiy Udovenko, and Acting Defense Minister Valeriy Shmarov. At a meeting with journalists Andrey Kozyrev stressed that the treaty, which is 80-percent ready, is a very substantial document. There are no longer any political differences in it. But it is necessary to finalize and weigh up all the formulas. Apart from finalizing the treaty there are still a number of issues which need to be resolved if the two presidents' summit is not to give the impression of some kind of hasty action, the foreign minister believes.

But Ukrainian political circles are by no means unanimous about the treaty in particular and about Russian-Ukrainian relations in general.

On the day that the Russian minister visited, the People's Rukh of Ukraine parliamentary faction issued a statement once again raising the issue of "Russian economic expansion." Strangely enough, this was prompted by the decision of the Ukrainian parliament to postpone construction of an oil terminal near Odessa.

What has this to do with Andrey Kozyrev's visit? The fact is that various political forces in Kiev will continue to impede the process of rapprochement between our two countries on any pretext. Rukh is currently claiming that Ukraine is being "artificially drawn in to one oil pipeline" running from Russia, and construction of the oil terminal should be seen as a national security issue—nothing less. This statement was issued after the country's prime minister had openly admitted that Ukraine is bankrupt. Huge debts totaling almost $6 billion have paralyzed the economy. Market reforms are marking time, and Ukraine is less and less likely to obtain Western investment. It simply has nothing to use as payment for its energy sources, wherever they may come from. So should the threat to Ukraine's national security be sought among its closest neighbors?

Successes on World Arms Market Reported

MM2609101794 Moscow RABOCHAYA TRIBUNA in Russian 21 Sep 94 p 3

[Article by Vladimir Nikolayev: "Arms Trade: MiG Manufacturers Lure Customers With Big Money"]

[Text] Strictly speaking, Russia is only just entering the world market in military technology. It is one thing to supply partners whose ideological aims did not differ from Moscow's with weapons on credit or on a barter basis, and quite another to enter a tough competitive battle.

However, it would appear that the first steps can already be deemed successful. The "Rosvooruzheniye" company has sold Russian combat technology to Turkey and Malaysia and has signed two contracts to deliver to Kuwait BMP-3 infantry fighting vehicles, which have already won an excellent reputation on the Arabian peninsula, and the "Smerch" Barrage-Fire Missile System. Incidentally, this is the first time this system has been commissioned by a foreign army.

And the other day Gennadiy Yampolskiy, chairman of the Russian Federation State Committee for the Defense Sectors of Industry, stated that he considers deliveries of S-300 antiaircraft missile complexes to South Korea a distinct possibility. He noted that the S-300 system, with which South Korean representatives are already familiar, is superior to the U.S.-supplied Patriot missiles in detection range, the number of targets it can engage, overall degree of reliability, and in a number of other parameters.

Cooperation between the State Committee for the Defense Sectors of Industry and the ROK is not limited to potential arms deliveries, Gennadiy Yampolskiy noted. The Russian committee and the South Korean Ministry of Trade and Industry have signed a memorandum on mutual understanding in the sphere of defense industry conversion. South Korea's Goldstar corporation has already purchased several of our K-32T transport helicopters.

A report has also been received from Islamabad that Pakistani President Benazir Bhutto instructed Tanvir Ahmad, Pakistan's new ambassador in Moscow, before the latter's departure for Russia, "to confirm to the Russian Government that Pakistan remains interested in purchasing 60 MiG-29 fighter-bombers." This interest will increase as the prospects of receiving 38 F-16 fighter-bombers from the United States become ever more illusory.

According to ENI reports, Moscow has apparently informed the Pakistani leadership that it is ready to sell the MiG-29's at a price of $19 million per machine.

And relations with India are actually taking on an intrinsically new character. In military cooperation with Russia Delhi advocates a transition from the "seller-buyer" formula to the implementation of joint projects. For example, the creation in India of a Russian-Indian joint enterprise for the production of spare parts for combat aircraft from the MiG family is nearing completion; the enterprise's product can be exported to third countries.

It is envisaged that repairs and technical maintenance will also be carried out for fighters and other machines at the joint enterprise.

The Indian Air Force is four-fifths equipped with Soviet- and Russian-made aircraft. According to some reports,

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they possess 500 combat machines of the MiG series, including 70 MiG-29 fighters, which are among the best aircraft in the world.

Russia's entry onto the world market in combat technology certainly does not mean that we are ready to sell arms to anyone who is willing to pay, the representative of the State Committee for the Defense Sectors of Industry stressed. "The president and the government keep a very close eye on who is to be sold what," he noted. "All deliveries of arms abroad are assessed very closely and comprehensively from the viewpoint of the possible consequences, including for Russia's own security.

"For example, we signed a contract to deliver 12 submarines to the DPRK, but the agreement stipulated that these would be obsolete submarines from which all armament had been removed. They are incapable of launching ballistic missiles, something the British mass media, for example, are publishing scare stories about."

It would appear, however, that the Russian services are incapable of keeping track of all the weapons leaving the country. Pak Kan Tha, an employee of the "Kanbo cholgan" company from the South Korean port city of Pusan, was extremely surprised, and only threw up his hands in bewilderment, when he discovered in a warehouse five combat artillery shells each weighing 20-30 kilograms in a heap of scrap metal imported from Russia. The metal in which the shells had "been mislaid" had been delivered to the ROK 5 August.

But this, as the saying goes, are the "flaws" of business, Russian-style.

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Political Issues

No Official Confirmation of Khlystun Resignation

LD2609185194 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] Russian Agriculture and Food Minister Viktor Khlystun applied for resignation and transferred his application to the premier, sources close to Vice Premier Aleksandr Zaveryukha supervising agriculture, the Agriculture and Industry Complex and the food market told Interfax today.

However, the government's press service would not confirm this information with Interfax.

The largest organizations of Russian agricultural producers have been seeking Khlystun's resignation, including the Agrarian Union, the branch trade union and the Agrarian Party of Russia which were not satisfied with the minister's performance when implementing the agricultural reforms. These organizations put forward an initiative that the Russian Rural Congress (July-August 1994) demand that "the officials responsible for agriculture at a federal level" resign.

State Duma Speaker and member of the Agrarian Party faction Ivan Rybkin informed Russian Premier Viktor Chernomyrdin of the demand, the same sources said, requesting that their names would not be revealed.

Chairman of the State Duma Agrarian Committee Aleksandr Nazarchuk said in an interview with Interfax that he backed the proposal of the Russian Rural Congress. Chairman of the Federation Council's analogous committee Vyacheslav Zvolinskiy avoided making comments on the issue.

Government Commission Supports Shafranik

MM2609133594 Moscow RABOCHAYA TRIBUNA in Russian 23 Sep 94 pp 1-2

[Report by Aleksandr Krotkov: "Secret of the 'Oil Protocol'"]

[Text] When Yuriy Shafranik was summoned to the White House with his report many people thought it was his "swan song," but....

You would have thought that the start of the routine session of the Government Commission for Operational Questions chaired by Oleg Soskovets did not bode at all well for Fuel and Energy Minister Yuriy Shafranik, who was presenting the White House with the concept for the management of Russia's oil complex. At any rate, the draft session minutes handed out to the participants at the very start of the hearings proposed that it be noted that this concept "does not match the tasks of extricating the oil industry from crisis and providing Russia's national economy and population with a reliable supply of oil and petroleum products."

However, Shafranik behaved with amazing confidence and tranquillity and the people who spoke after him did not particularly "go for" [nayezzhat] the minister—even representatives of the Economy Ministry, who are generally fairly aggressive toward "sectoral ministers" and do not miss an opportunity to accuse them of deviating from "radical reforms." On the contrary, it was stressed over and over that the concept "received a positive assessment from the most varied expert structures." And it only remained to guess when tragedy would befall Shafranik.

Finally the commission chairman himself took the floor. Sullenly taking in the room at a glance, he began talking about the particular significance for the country of forging ahead with reforms in the oil complex and.... But no, he too despite his traditional toughness, of which session "habitues" could say a great deal, spoke of the concept in amazingly favorable terms. But why "amazingly"?

The document under discussion was notable for its well-adduced, cogent arguments. The main emphasis was placed on the formation of a comparatively small number of major oil companies, each of which, operating on a "turnkey" basis, would perform a whole range of functions—from geological exploration to selling gasoline at filling stations. This principle has incidentally proved itself to be the most effective in virtually all developed countries. It is also particularly topical for Russia because it creates excellent conditions for healthy rivalry between manufacturers. By the way, competition has inter alia ALREADY caused the stabilization of the prices of petroleum products in Russia over the past six months and has even in some areas caused a small drop in prices.

However, the following question might have arisen: Is there any point in limiting the number of oil companies to just a few giants, is it not better to break up the sector into hundreds and thousands of autonomous joint-stock companies that could elbow one another aside and fight for a place in sun as regards petroleum?

However, even Anatoliy Chubays, the main proponent of this kind of fragmentation in other sectors, did not in this case insist on this, evidently aware that it would result in nothing but a catastrophic leap in gasoline prices and economic warfare among thousands of "oil barons." And the country cannot permit that. (But he may have championed the alien principle for some other reasons known only to himself and a small group of initiates).

There is also the danger of another extreme here, to wit the danger that all the sector's enterprises which have not yet joined the seven Russian oil giants may form a national oil company that could indeed monopolize the country and use its clout to overwhelm its rivals. But Shafranik himself has rejected the idea of this kind of monster being conceived.

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In a word, the discussion of the oil concept proceeded in an unusually businesslike and calm fashion—without squabbles and dressings-down.

Why then was the draft decision on the concept with which I began my account of the session so peremptory and tough? One can only guess the reasons for that. But I will nonetheless venture some hypotheses.

A few days before the session the radical press began a real attack on the energy minister, who was asked in the sharpest of terms to resign. How has he failed to please economic extremists and those whose interests they uphold?

It is all quite simple: Ou. oil industry is too much of a tasty morsel for Russian businessmen and foreign businessmen. And even more so for various criminal and semicriminal structures. They would give a great deal for it to be broken up into thousands of small fragments which they could lay hands on one at a time, on the cheap. The government's move toward supporting major joint-stock oil companies is both a defensive measure and a stab in the heart for them.

The draft decree, compiled "to order," may quite possibly also have been harking back to this attack in the newspapers and behind the scenes. Indeed, RABOCHAYA TRIBUNA wrote in its previous edition about the incessant intrigue surrounding Shafranik and the intriguers' long aim.

Thank God that this time the common sense of the people who bear the burden of state responsibility prevailed over the short-term hullabaloo whipped up by those who are after Russian oil.

Filatov on Implementation of Public Accord Treaty

LD2409113194 Moscow ITAR-TASS in English 1039 GMT 24 Sep 94

[By ITAR-TASS correspondent Vladimir Taranov]

[Text] Moscow September 24 TASS—After the signing of the Public Accord Treaty, people began to feel "the warming atmosphere and the growing stability," Chief of Staff of the President's Administration Sergey Filatov said at a session of the Public Chamber under the Russian President, which is under way in the Kremlin. He pointed out that the treaty was a voluntary alliance of all sections of society, which envisages the creation of a legal basis of democratic society.

Filatov told the session that the laws on the election of the president and of deputies to the Federal Assembly were drafted now. This is important, because we are approaching the electoral campaign. In the opinion of Filatov, the adoption of the law on the Constitutional Court was also important. He believes the Constitutional Court will start working in October. He said they regarded the Public Accord Treaty from the point of view of the mechanisms which will rule out a possibility of conflict situations. A law is being drafted now, under which the Public Chamber under the Russian President will become a place where draft laws will be discussed and coordinated before they are submitted to the State Duma.

Speaking about the factors which are hampering the implementation of the Public Accord Treaty, Filatov pointed to the transitional character of the current situation, as well as actions of the irreconcilable opposition, aimed at undermining public accord. A large bloc of political parties has been formed at the State Duma, which intend to give a vote of non-confidence to the government. The existence of the oppositiion, which did not join the Public Accord Treaty, shows that there are groups of people in society which have not given up attempts to overthrow the authorities, Filatov said.

In his opinion, the treaty is not a perfect document, but it is an important and most representative instrument for the communication of such a wide range of political forces in Russia.

Kostikov Opposes Annulment of Anticrime Edict

LD2409163194 Moscow INTERFAX in English 1310 GMT 24 Sep 94

[Text] The Russian president's Press Secretary Vyacheslav Kostikov told Interfax that he opposed the idea of annulling the presidential decree on measures to combat banditry and organized crime. Commenting on the session of the Public Chamber which proposed that the decree be cancelled, he said that he did not support such a proposal. He noted, however, that he shared the concern about the presence of individual provisions in the decree which might be interpreted as violations of human rights.

"We must be realists," he said. "Violence and banditry have assumed a dimension which is deeply injuring public morality. This evil can be suppressed with measures implying broad powers of the president and government," he said.

"Temporarily, for a period of about two or three years, when we'll be trying to check this wave of violence, the democrats must treat this decree with understanding, aware that the basic human right to free, normal and tranquil life is at stake." he said.

He is convinced, at the same time, that the implementation of the presidential decree must be strictly controlled by the public, in the center and in the periphery. He proposed the idea of establishing a human rights fund in Russia.

Gaydar Prepared for Debate With Rutskoy

LD2609193894 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] Yegor Gaydar, leader of the Russia's Democratic Choice party and of the Russia's Choice parliament

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group, is prepared to have a live TV debate with former vice-president Aleksandr Rutskoy. In his written statement to Interfax Gaydar noted that General Rutskoy had wrongly said, using bad language, in the "Details" TV program on September 20 that he, Gaydar, was avoiding direct confrontation with him in live television programs.

Gaydar went on to say that he would not have anything to talk about with Rutskoy as a human being but admitted that as an opposition leader Rutskoy posed a real danger to the country. This was the reason, Gaydar wrote, why I did and will do my best to expose the aggressive, crudely egoistical, adventurous and lying policy of these people.

FITUR Official Views Labor Relations Draft Law

MM2709084994 Moscow RABOCHAYA TRIBUNA in Russian 27 Sep 94 p 1

[Report by Albert Kubarev: "You Will Have Lockouts!"]

[Text] With the spread of market relations at enterprises, the problem of the regulation of collective labor disputes is becoming increasingly topical. It is no accident that two draft laws already submitted to the State Duma have been devoted to this, as has another prepared by the Ministry of Labor and examined the other day at a government session.

Here is how Konstantin Krylov, secretary of the Federation of Independent Trade Unions of Russia [FITUR], describes the document:

"The draft law drawn up by the Ministry of Labor contains provisions with which the trade unions cannot agree. First, it permits the timetable for the examination of collective labor disputes to be delayed—to more than two months. Second, it proposes, for the first time in Russia, the introduction of lockouts—mass dismissals of striking workers. Admittedly, with some provisos. But these will in no way prevent employers if they so wish from provoking a strike and then sacking people they want to get rid of en masse without any of the guarantees that are currently provided. Most countries reject lockouts.

"And the third point with which we disagree is the banning of strikes in a number of sectors and at certain enterprises. The fact that a special strike procedure should be stipulated for enterprises involved with vital services or a continuous production process is another matter. But an all-out ban on strikes is something we consider impermissible.

"Incidentally, this government draft law was examined at the Russian Tripartite Commission, where we were negative about it. Nonetheless, the document has not undergone any changes in fundamental areas.

"We advocate that a commission be set up at the Federal Assembly to examine all three draft laws and to lay down the basis of a tripartite agreement on the procedure for settling collective labor disputes."

Zyuganov Comments on Planned Protest Actions

MM2609155394 Moscow TRUD in Russian 23 Sep 94 p 1

["Snap Poll" feature by Fedor Yemchenko: "Hadn't Heard, But We Give Our Support"]

[Excerpts] At their recent conference in St. Petersburg the leaders of the Federation of Independent Trade Unions of Russia [FITUR] made the decision to hold mass protest actions 27 October because of the government's nonfulfillment of the General Wages Agreement, the increase in reciprocal nonpayments in the state, the bankruptcy of enterprises, the growing number of unemployed, and late payment of wages.

It is perfectly understandable that the success of this action will depend to a large extent on good organization and unity on the part of working people, on whether they grasp the need for everyone to take an active part in the struggle for their social interests. Judging by the telegrams coming in from local level, preparation for the fall offensive is under way. In Vladivostok, for example, the Coordinating Committee for Collective Actions of the Federation of Trade Unions of the Maritime Region has held a mass rally. The plenum of the Trade Union of Fishermen in Novorossiysk supported the FITUR General Council Executive Commiitte's decision on holding a Russiawide protest action....

In short, the trade union functionaries' stance is clear-cut. But what do Russians—politicians, workers, pensioners, entrepreneurs—think about the fall offensive? Unfortunately, many of them heard about the upcoming events for the first time from us.

Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation:

"Frankly, I have not read what kind of demands the trade unions are putting to the government. But if their actions are aimed at protecting working people, then I certainly support them. True, knowing the weak spots in the workers movement, I don't cherish any special illusions. Experience of past mass actions has shown the trade union masses to be poorly organized and their leaders to lack a firm, principled position. But the present times are swiftly changing people's way of thinking. So let us hope that the action by such a large-scale organization will not pass without trace." [passage omitted]

Sergey Shuklin, chairman of the Defense Industry Workers Union Central Committee:

"A decision has been made, and we must carry it out. Preparatory work is now under way. The success of the event will depend to a large extent on well organized, coordinated action by labor collectives. Unfortunately,

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the experience of past years showed that our workers were not ready to fight for their interests. During the 70 years of Soviet power an insidious idea entered people's minds: It is my job to work while everything else will be decided for me without me.

"Such a stance cannot be justified today. Life forces everyone to consider why it is so intolerably difficult to make ends meet. Trade unions have also changed. They are developing new ways and means of providing social protection for working people, ranging from talks and agreements to mass protest actions. For the time being we are only making economic demands. But if the government does not heed our voice, trade unions will be forced to launch a political struggle to secure the resignation of the government and president." [passage omitted]

Anatoliy Koltsov, deputy general director of the "Serp i Molot" plant:

"What action are you talking about? This is the first time I've heard about it. No one to date has reported to me about what they are organizing there."

Former Deputy Launches Lawsuit Against Yeltsin

LD2609194194 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] Court hearings of the suit on the protection of honor and dignity launched by a former Russian deputy, Iona Andronov, against Russian President Boris Yeltsin have been scheduled for October 19.

Andronov told Interfax that Yeltsin's representative had for a second time failed to appear at a meeting of sides arranged by the judge of the Kuntsevo intermunicipal regional court, Anatoliy Arefiyev, for Monday, September 26. Arefiyev decided to fix the date of court hearings and to summon the defendant to the courtroom.

Andronov backed up his step by saying that in foreign editions of Yeltsin's book "Presidential Notes" he was called fascist.

In his suit, Andronov asked the court to recognize this definition as "defaming his honor and dignity" and oblige Yeltsin to repair the moral damage he inflicted.

Starting from the number of copies and an average price of the book, Andronov evaluated the moral damage at $300,000 and 500 million rubles. The publishers which released the book in the U.S. and United Kingdom will be co-defendants in the case.

Party Canvasses 410,000 in Support of Referendum

LD2609203194 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] During the fortnight which has passed since September 12, the Majority Party has canvassed 410,000 signatures in 24 regions of Russia in support of holding a referendum on the two following questions: The extension of the powers of the president and the Federal Assembly until 1998 and the re-introduction of a "constitutional monarchy of the Romanov dynasty" after 1998. This statement was made by the party's chairman, Vyacheslav Grechnev, in an interview with Interfax Monday.

The second question included the idea that the "constitutional monarchy of the Romanov dynasty will combine in itself strong executive power with a democratic parliament freely elected on the multi-party basis."

Grechnev was confident that the number of signatures canvassed by October 2 will reach 500,000. The party plans to canvass one million signatures by November 7, the anniversary of the October revolution that Grechnev described as another "Bolsheviks' plot." Then the party will hand the lists into the presidential office. According to the Russian Constitution, only the president is entitled to convoke referendums.

The party held its constituent congress in Moscow on February 15, 1994. In March, the Majority Party was registered by the Justice Ministry. The party's press secretary, Aleksandr Chumikov, said that it "represented the interests of the middle class being born now." According to Grechnev, the party encompasses 630,000 members in 58 regions of Russia.

Jubilee of Halt to 'Political Terror' Hailed

MM2609120194 Moscow ROSSIYSKAYA GAZETA in Russian 21 Sep 94 First Edition pp 1, 2

[Unattributed article: "Political Terror Stopped: This Was Achieved by Edict No. 1400, Adopted Exactly One year Ago"]

[Text] **The opponents of the present authorities regard edict No. 1400 as the prime cause of the tragic events of the end of September and beginning of October last year. Let us try to avoid confusing cause and effect. Specialists long ago established that the aforementioned edict was dictated by a "state of dire necessity" wherein the lesser of two evils is chosen and the lesser good sacrificed to save the immeasurably greater good. The chain of political terror with which the Supreme Soviet threatened society was broken at its very beginning.**

Let us, however, try to establish what might have happened if the exercise of the legislative, management, and control functions by the Russian Federation Supreme Soviet had not been cut short by the Russian president's edict "On Stage-by-Stage Constitutional Reform in the Russian Federation." The answer is unambiguous.

Two new articles of the RSFSR Criminal Code would have come into operation.

Article 64-1 established accountability for actions aimed at changing the constitutional system by force. No explanations whatsoever were provided in the law as to what

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actions were meant. Virtually anything you fancied could have been subsumed under this article, ranging from a presidential edict halting the exercise of functions by the Supreme Soviet to service in any technical post in the president's apparatus or even the customary approval of the president's actions. In other words, it was about instigating the prosecution of political opponents.

Article 64-1 established a corpus delicti with aggravating circumstances, which were also couched in the most general terms. Grave consequences was one aggravating circumstance. No interpretation of them was given by the law either.

A second aggravating factor—the commission of actions by an official—was even woollier. Let us note—any official, even one not occupying a position of responsibility (such a term is recognized by our Criminal Code). Based on the concept of official as interpreted by Article 170 of the Criminal Code, any official who has permanently or temporarily discharged organizational-management or administrative-economic duties could be held to account under Section II of Article 64. That is to say, any militiaman, accountant, shop foreman, and so forth could be such.

Let us remember that the punishment laid down under the new article was severe: Under Section I deprivation of liberty from six to 12 years with or without confiscation of property, and under Section II from 10 to 15 years with or without confiscation of property or the death penalty, again with possible confiscation of property.

Article 70-2 introduced into the Criminal Coode a second corpus delicti—obstructing the activity of lawful organs of state. And again this was done in an extremely muddleheaded way. Try to work out which actions obstruct and which do not? And what do you indict people for: For the commission of particular actions or only when they are crowned with success? The law did not even stipulate which organs of state power were involved: the top organs of state only or any of them.

According to the text it turned out that a person who hindered the operation of a rural soviet could be punished by deprivation of liberty for up to five years. The second section of the article cited the same aggravating circumstances—grave consequences and commission by officials. And punishment then was deprivation of liberty for five to 10 years with or without confiscation of property.

What links the two new articles is the vagueness of the wording, the use of woolly terms which are not explained in the text, and very harsh penalties—up to and including the death penalty.

The introduction of new corpora delicti into the Criminal Code made it possible to gag, bind, and remove from circulation for a long time all malcontents. Mere approval of a presidential edict would have brought about court proceedings.

It is dreadful to contemplate the bloodshed which the putsch would have resulted in if successful and the human suffering wrought if Articles 64-1 and 70-2 had begun to be applied. That, fortunately, did not happen. But what did happen, then? This is what the well-known political scientists Aleksey Kiva has written:

"...Russia not only did not start to collapse, but trends toward integration strengthened.

"There were forces advocating a different path of social development for Russia or a different reform model, and they remain. There also remain outstanding economic and social problems which will inevitably generate discontent in society and possibly fuel new attempts at revenge. I think people's attitudes will play a crucial role. People are tired of dyarchy and polyarchy or, to be more precise, anarchy. They fear the collapse of Russia and want political stability and basic order. Commonsense has prevailed.

"However, one should not belittle the significance (for all the tragic aspects of the events of 3-4 October) of the victory won over the forces of the past during the 'fall offensive' waged by the president and his team.

"The fact that with the soviets' exit from the political scene Yeltsin did not make threatening gestures toward the representative organs of power is also very important. Yeltsin seems to have stood the test of power this time."

No matter what we say about presidential edict No. 1400, let us look at things objectively.

—It has not undermined the bases of the constitutional system.

—Not a single article guaranteeing our rights and freedoms has been abolished or suspended.

—It did not hinder the holding of elections to the new parliament.

—And it is precisely thanks to the edict that democratic elections were held to the Federal Assembly.

A new Constitution was adopted.

The Treaty on Social Accord was concluded.

Let us, finally, remember that the president introduced a draft amnesty law into the State Duma and, like it or not, pardoned those who took up arms against him and Russia in September-October.

So what, then, prevents our stopping to look back and sensibly assess our behavior, or prevents our sweeping aside all the extraneous accretions that stop us getting on with our lives? Nothing, it seems, except empty pride, long-standing grievances, and the inability to organize our work and everything around us.

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Communists Launch Campaign for Early Elections

MM2309154694 Moscow PRAVDA in Russian 23 Sep 94 p 1

[Report by Valentina Nikiforova: "Fall. The Grapes of Wrath Are Ripening. The People Have Not Forgotten the Sinister Edict No. 1400"]

[Text] This is indicated by the banners and slogans brought out by Muscovites 22 September on the anniversary of Edict No. 1400—the edict which torpedoed the Constitution and became the cause of the tragic events. It is difficult now to reappraise the willingness of Russians to defend their rights to a decent life. But judging from the number of participants in the procession (television pundits put their number at over 10,000), and by the fact that on this occasion the columns included new people unused to rallies, it is easy to yield to euphoria.

Judge for yourselves. Pushkin Square was overflowing long before the official time of the gathering.

A complete stranger approaches and begins to confess: Like every intellectual, I am a democrat. A firm democrat. But do not be too quick to class me as a Yeltsinist, even though I have disgraced myself with one error: I voted for him.

"An early presidential election is essential and, I believe, we must move toward it sensibly. We must nominate a candidate that the majority will vote for," a middle-aged man, who had been listening to the discussion, entered the conversation.

He hastened to share his thoughts, his advice:

"Otherwise, another six months—a year maybe—and Russia will come tumbling down. I am a Category-Six metal worker and I earn R240,000, whereas a director earns R10 million. The kids barely get R100,000. Can you really live on that kind of money? No, only Soviet power will save Russia!"

"What is most strange is that all control has been lost," State Duma Deputy Vladimir Isakov muses.

"But, you know, a further 90 edicts were signed recently!"

"I have not looked through them yet, but I am convinced that they will not be carried out. Which means that the other (presidential) side will be causing destabilization," Vladimir Borisovich says ardently. "This year was a year of waiting, evaluating what had happened. There is only one way out—an early presidential election. That is the reality."

This means that, by announcing that the collection of signatures is under way, the communists have chosen the right tactic. Incidentally, people were only too ready to sign; they were looking for collectors.

The Soviet national anthem is played. Russian Supreme Council Deputy Ivan Shashviyashvili opens the rally. There is a minute's silence in memory of those who died defending the Constitution. Then speeches from the platform—ardent, alarming, judicious speeches. Yuriy Voronin's conviction that Russia will be brought to its knees and that the USSR will rise up again was supported by Russian Party of Communists leader Anatoliy Kryuchkov.

"The only way is active resistance. The opposition needs help in the form of both hard cash and participation in pickets and in disseminating the opposition press," he said.

The admission by Viktor Anpilov, secretary of the Russian Communist Workers' Party [RCWP] Central Committee, that the communist parties have yet to reach the labor collectives, was also confirmed by a tunneler from the construction administration which is undertaking the reconstruction of Manezh Square: Until the workers understand and join forces, anybody you like will be able to occupy the presidency!

"Remember," Russian Supreme Council Deputy Ilya Konstantinov warned, "in order not to lose everything, the authorities will do anything! Do not count your chickens before they are hatched. Last time, we lost. Let's remember that and learn from it."

"A process of unifying the patriotic forces really is under way," Gennadiy Zyuganov, chairman of the Russian Federation Communist Party Central Executive Committee, noted. "Events in recent times alone confirm this: The meetings in Kaliningrad, the signing by 19 Communist Party leaders of agreements to act in a single area, the victory of sensible forces in the elections in most regions. But in order to resurrect a single union state, to raise up great Russia, the forces which will stop at nothing have to be overcome. The unity of all right-minded people can resist this. Then there will be a great Russia, there will be a Soviet Union."

Sazhi Umalatova, Aleksandr Rutskoy, and other speakers addressed the rally. They were met, in general, warmly. There was no need to convince those gathered there—it was necessary to give them a specific cause. Today this means collecting signatures in favor of rejecting an extension of Federal Assembly powers and an early presidential election. This was understood on Theater Square, as it was in many cities and villages of Russia. On the first day of asking, 21 September, 30,000 signatures were collected.

Opposition Gears Up for Presidential Election

MM2609143994 Moscow ROSSIYSKIYE VESTI in Russian 23 Sep 94 p 1

[Article by Dmitriy Orlov and Lyubov Tsukanova under the general heading: "Opposition Wants 'Hot Fall', Russia Wants Indian Summer"]

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[Text] The opposition's fall actions in the form of marches, rallies, and pickets in Moscow are pegged to the anniversary of the September-October events of 1993: Promulgation of the Russian Federation president's edict on stage-by-stage constitutional reform and overt resistance on the part of the Supreme Soviet and Congress of People's Deputies, which developed into an armed conflict and culminated in the tragedy of 3-4 October 1993. The paradox of the situation at that time was not the sudden linkup by the legal (represented in parliament), "diehard" (National Salvation Front), and illegal (fascistic forces) opposition, but the fact that one of the supreme organs of state power, ostensibly aspiring to supremacy over all the other branches of power but essentially seeking to dislodge the country from the path of reforms, effectively became the diehard opposition.

It was this fact that occasioned the talk of a dyarchy in the country. Russia was being pulled this way and that not just by opposing political forces, but by forces invested with power. And the Russian president's edict was a natural step toward a way out—entirely civilized and peaceful—of this abnormal situation.

The diehard opposition has learned something from its defeat a year ago. It has not abandoned the idea of revenge, the idea of "overthrowing the regime," but it apparently no longer harbors any illusions that the people will be prepared to take up its slogans and fight the authorities in the street. The opposition's aim today is to unite, secure early presidential elections, and win them. It must be said that the opposition is more active than the democrats, who talk about unification but are doing very little about it at the moment.

The current actions by the "diehard" opposition are not the aim either, of course; they are propaganda preparation for an extensive campaign to attain power by legal means. The first appreciable action was the "congress of patriotic forces" in Kaliningrad, which announced that a single opposition candidate had been decided on for the next presidential elections. Athough the name was not announced, which gave rise to doubts as to whether Rutskoy or Zyuganov (as the most likely contenders) was prepared to step down in favor of the other.

Doubts became certainty following your ROSSIYSKIYE VESTI correspondent's conversation with an influential opposition leader who said that they had "only created the mechanism for nominating a single candidate." That is why no name was announced. We would remind the reader that the aforementioned mechanisms were set up both at the end of 1992 and in spring 1993. It could be a damp squib yet again.

This suggestion is indirectly confirmed by the dissenting voices of opposition leaders who did not participate in "Russian Frontier" concerning the current situation and the action program. Viktor Anpilov's slogan is "Ruble Purchasing Power at the 1991 Level!" and he believes that it would bring about the government's resignatiion. A "People's Assembly" ["Narodnoye Veche"] is planned for 7 November to elect a single Russian presidential candidate. But it is unlikely to be Gennadiy Zyuganov, since he, according to Anpilov, "advocates a formula for people's power which essentially boils down to the idea of bourgeois parliamentarianism." Does "Working Russia" support Aleksandr Rutskoy? Possibly, although it could be on a pretty narrow basis as far as Rutskoy is concerned: "Soviet power must be revived in our country as the power of working people at all levels —from the congress of soviets (?) to soviets of labor collectives (?)."

The Russian Social Democratic Union, based on the Russian Social Democratic People's Party formally headed by Rutskoy, warns of the "extreme danger of any extremism," advises its supporters against participating in any mass actions, and tells them to confine themselves to "objective assessments" of the critical situation in the country "at conferences and seminars and in the media." ROSSIYSKIYE VESTI has already said that social democratic circles closest to Rutskoy and his constant companion Vasiliy Lipitskiy are probably skeptical about Mr. Rutskoy's current activity geared to organizing extraordinary presidential elections.

There remains another factor which simply cannot be discounted—the Zhirinovskiy factor. The leader of the Liberal Democratic Party of Russia would be unlikely to accept a passive role of observer of the actions of the opposition forces' "single candidate" (if he ever emerges). So the apparent unity of opposition programs and actions conceals rather substantial differences, which it will be very difficult to overcome.

Revision of Gorbachev State Pension Welcomed

MM2609133194 Moscow ROSSIYSKAYA GAZETA in Russian 23 Sep 94 Weekend Edition p 5

[Directive No. 480-dp of the Russian Federation President "On Financial Provision for M.S. Gorbachev," dated 19 September 1994 and signed by Russian Federation President B. Yeltsin; followed by unattributed commentary]

[Text] 1. Former USSR president Mikhail Sergeyevich Gorbachev is to receive financial provision for life: A monthly sum amounting to 40 times the minimum state old age pension.

The money for the aforesaid financial provision will come from the federal budget.

2. The Russian Ministry of Social Protection of the Population and the Russian Finance Ministry are to arrange payment of the financial provision to M.S. Gorbachev in accordance with this directive.

3. This directive enters into effect the day it is signed.

[Signed] Russian Federation President B. Yeltsin.
[Dated] 19 September 1994.

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[Commentary] You will recall that former USSR president Mikhail Sergeyevich Gorbachev was fixed up with an old age pension, "based on his final salary of 4,000 rubles [R]," as a result of a decision by the CIS heads of state on 21 December 1991. At that time it was 40 times the minimum old age pension.

Pension legislation has undergone significant changes since December 1991. But since M.S. Gorbachev was given the pension as a result of a special decision by the CIS heads of state, it is not subject to review. That is why, on 23 August 1993, the Moscow Committee for the Social Protection of the Population wrote a letter to the Russian Social Protection Ministry "concerning the need to petition the Russian Government for an increase in former USSR president Mikhail Sergeyevich Gorbachev's pension." The committee also wrote to M.S. Gorbachev informing him "of the possibility of his being given an old age pension in the normal way, in accordance with existing legislation."

Neither the Russian Social Protection Ministry nor Mikhail Sergeyevich himself replied to the Moscow Committee for the Social Protection of the Population.

Now we have Russian President Boris Yeltsin's directive on "monthly financial provision for life" for Gorbachev.

The Gorbachev family heard about it when our correspondent phoned. Raisa Maksimovna was bitter: "No one tells us anything."

The proper treatment of former leaders is a sign of a civilized mentality. From this viewpoint it is good to see this Russian presidential directive.

Economic Issues

New Government Reform Program To Be Submitted

LD2609141294 Moscow ITAR-TASS in English 1247 GMT 26 Sep 94

[By Business-TASS correspondent Robert Serebrennikov]

[Text] Moscow September 26 TASS—Chairman of the Russian Government Viktor Chernomyrdin issued a directive to work out a new governmental economic programme, Yevgeniy Yasin, head of the analytical centre at the Russian president [as received], told Business-TASS. The programme planned for 1995-1997 and entitled "Reform and the Development of the Russian Economy" should be submitted for debating in November 1994.

The new government programme is called upon to launch a new stage of Russian economic reform. It will essentially be aimed at invigorating production, putting ecomony in order, curtailing ineffective production, stimulating investment into promising industries. An emphasis is made on private investment, including foreign. The Russian president and government are ready to take decisive measures to improve the climate for foreign investment, Yasin said.

Soskovets on Main Cause of Payments Crisis

MM2709083394 Moscow RABOCHAYA TRIBUNA in Russian 27 Sep 94 p 1

[ITAR-TASS report: "Oleg Soskovets: Don't Slip Up"]

[Text] The defaulting problem has become one of the most serious obstacles in the way of economic reform and the resolution of social problems. That view has been voiced by Oleg Soskovets, Russian Federation Government first deputy premier.

In his opinion, the payments crisis is due to the fact that there has still not been any real economic restructuring in the country. Many production facilities, he noted, have still not been reoriented to produce competitive output, and a considerable number of enterprises are still working "for the warehouse."

The first vice premier claims that the state can provide financial support only to a limited range of enterprises producing high-tech output. "The rest should mainly rely on their own resources," he said. "Those who fail to grasp this can expect to go bankrupt under market conditions."

Little Hope Seen for Soskovets's New Panel

MM2609124794 Moscow IZVESTIYA in Russian 24 Sep 94 p 2

[Article by Rustam Arifdzhanov: "Soskovets's List. Council on Industrial Policy Is a Government Rating of Russian Businessmen"]

[Text] The work experience of previous government councils—on industry (headed by Mikhail Yuryev) and on the development of enterprise (Ivan Kivelidi)—convincingly showed, alas, the entire futility of hopes for vigorous activity on the part of such formations. Nor, alas, are these hopes inspired by the new Council on Industrial Policy and Enterprise, which combines the two former councils.

First Vice Premier Oleg Soskovets, the most official person (in terms of the number of posts accumulated) on the Council of Ministers, has been entrusted with heading it. The busy Soskovets, who, apart from everything else, heads three very important government commissions—on current issues, on nonpayments, and on banking activity—undoubtedly selected Anatoliy Samsonov, general director of the Exporters Association, for the post of his first deputy on the new council. A busy time began.

The favorite occupation of all state officials of all times and ranks, and simply of the large, interested public in former times, was to see who was standing where on top

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of the Mausoleum, while nowadays it is to see whom the Russian president takes on his trips abroad, what kind of telephone "hot line" you have—ATS-1 or ATS-2—whether you play presidential tennis or only government soccer, whether you fly to Sochi or only rarely travel to Zavidovo.

Soskovets's apparatus spent a month seeking the answer to a tricky question: "Who to have?!" The list of members of the Industrial Council was rejigged, rewritten, extended, and extended. Instead of the original 40 members, it grew in the end to 167. Not a round figure, but an important one. They seem to have forgotten nobody. Here is the automobile elite—Bekh, Pugin, Kadannikov, Saykin.... But did they forget Borodin of "Moskvich"? Thank God! Here are the banks—Boyko, Vinogradov, Rodionov.... Is the Credo-Bank there? Yes. "Rossiyskiy Kredit," "Yugorskiy," the Russian National, the Bank for Foreign Economic Activity? Yes. And "Stolichnyy," "Stolichnyy"! Gosh, yes....

On principle, they did not include commodity producer Skokov or Volskiy of the Russian Union of Industrialists and Entrepreneurs. Comrades must be a bit more loyal. They included "Krosna," "Transaero," "Mikrodin," and "Bioprotsess." The gentlemen keep in step. And so forth.

Now there is shame and grief for those who did not get onto the list. For those on it there is the joy of knowing they are in with the in-crowd. Of course, there will still be grudges, envy, and sleepless nights: In what way is this Ivan Ivanovich better than me, Aleksandr Aleksandrovich? In what way is he nearer to our own government?

What can be said here?... Great work has been done. There are, incidentally, grounds for assuming that the Industrial Council will not do anything more significant than this work. By definition. It is hard to imagine how 167 of the country's leading entrepreneurs will collectively influence the government. The entrepreneurs Vagit Alekperov of "LUKoil," Nikolay Bekh of "KamAZ," and Genrikh Novozhilov of the Ilyushin Aviation Complex, not to mention the businessman Rem Vyakhirev of "Gazprom," influence the government more successfully, so to speak, individually. It is hard to say how the government will influence the glorious Areopagus of entrepreneurs. Convene and inspire? A clever government realizes here that "piecework" will be a little more profitable than mass work.

At all events, the Industrial Council has not yet met for its first session. It has been postponed until next week. Nonetheless, the elite of Russian business might come together, for propriety's sake, once or twice. No more. More is not necessary. The main work has been done—the list has been drawn up.

Furor Over Abortive Pay Freeze Edict Eyed

MM2609150194 Moscow ROSSIYSKAYA GAZETA in Russian 23 Sep 94 Weekend Edition p 2

["Commentary on criticism of the government" by ITAR-TASS observer Gennadiy Yezhov: "An Edict Which Was Not Adopted"]

[Text] September saw a marked intensification of criticism of the Russian Government's economic policy. In the opinion of the cabinet leadership, this was primarily caused by "seasonal political fluctuations" in opposition circles. This idea figured both in the recent interview given to the "Ostankino" television company by government head Viktor Chernomyrdin, and in the course of a press conference held on the same day—20 September—by Vice Premier Aleksandr Shokhin, minister of economics. Both public appearances were devoted to the president's latest package of economic edicts.

The appearance of the latest package of edicts, Aleksandr Shokhin noted, has clearly defined two basic strategic areas of government policy in the structural overhaul of the economy—the stimulation of the investment process and the battle against the nonpayments crisis. The tangible progress in this direction enables the government today to provide quite a well reasoned refutation of gloomy forecasts and to respond with confidence to charges of having chosen incorrect methods of economic management, explaining these charges as an attempt to turn up the heat in the political battle on the eve of the opening of the new parliamentary session. However, at the beginning of the week serious criticism of certain of the cabinet's economic moves was heard not in opposition circles, but from presidential structures.

As is well known, one of the draft edicts placed on the president's table—on the regulation of the means of consumption (pay) of enterprises—was not signed (let us recall that this is the second time the draft has not been signed, despite serious reworking of the initial version). It is this draft that provoked serious criticism from Professor Aleksandr Livshits, leader of the president's group of experts, for its "manifestly administrative character."

How justified are these accusations? Let us recall that the main idea of the first of the rejected drafts of the edict on regulating pay was clearly designated as that of overcoming the "social inequality" between those on low pay in the state sector and those on inordinately high pay in the private sector, and also in certain monopolist sectors, for example the oil and gas producing complex. The measures stipulated in the edict were proposed as temporary, to last until the government switches—after the example of developed Western countries—to an effective system of individual taxation.

After the first version was rejected, the government, leaving the name of the draft law unchanged, made significant amendments to the text. It was now proposed to impose restrictions on the growth of pay only in the case of debtor enterprises whose payments on their debts are overdue. Correspondingly, the main idea of the draft edict became the battle not against the social stratification of society, but against nonpayments between enterprises.

It can thus be assumed that the government needs swiftly to create levers to regulate wages funds—the main source

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of income for the majority of Russian citizens—and is prepared to seek to do so on any pretext—no matter whether for the sake of the battle for social equality or in order to resolve the nonpayments problem. Whether this reveals a secret urge not to allow a new spiral of inflation or an increase in social tension, one can only guess. However, in this respect Vice Premier Aleksandr Shokhin's argument about the need to combat nonpayments by restricting the growth of pay looks somewhat unconvincing. When he was asked to comment on Professor Livshits' remarks on the unsigned draft presidential edict on the regulation of consumption funds, Aleksandr Shokhin replied that "an enterprise's reduction of its overdue debt by even one ruble will cancel the sanctions enacted against it by the corresponding edict," and the follow-up question at once arose: Why then make such a big fuss?

In his television interview the Russian premier clearly defined the government's economic course as a "market policy." There is corroboration of this. For example, the stance adopted by the cabinet of ministers on the question of reducing the level of inflation (today 5 percent per month), and in particular of stabilizing this level, looks sufficiently convincing. The government has approached the solution of the severest economic problem—enterprises' total debts to one another—highly seriously and with great thoroughness; the decision to unravel the knot of unpaid debts sector by sector is already bringing rewards, particularly in the fuel and energy complex. A favorable economic and legal climate for Russian and foreign investors is gradually being created in Russia, and will in the final analysis overcome the caution with which they invest in the development of production in Russia. It is quite difficult to oppose the government on any of these questions, something which cannot be said for the manifestly antimarket draft edict on the regulation of the consumption funds (pay) of enterprises. The persistence with which the government is trying to make this draft become law prompts suspicions that the cabinet of ministers has been tempted to resolve certain especially difficult questions in the Russian economy by a contentious combination of market and administrative methods of economic regulation.

Deputy Minister on Attracting Foreign Investors

LD2609141094 Moscow ITAR-TASS in English 1145 GMT 26 Sep 94

[By ITAR-TASS correspondent Lev Rumyantsev]

[Text] St. Petersburg September 26 TASS—An attractive climate for foreign investors is created in Russia, Valeriy Mikhailov, first deputy Russian economics minister, told ITAR-TASS. He said the Russian president's decrees "on private investment in the Russian Federation", "on the development of financial leasing in investment", as well as a number of subsidiary legislative acts on problems of attracting investment give reason to believes that foreign investment in the Russian economy will soon considerably increase.

"The government can already guarantee that for three years foreign companies that have already begun business in the Russian market will be protected against any actions of official bodies that would affect the results of their work", Mikhailov said. On Tuesday Mikhailov will participate in the opening in St. Petersburg of an international conference "East-West: Investment, Conversion and Russian High Technologies". At that conference of Russian and foreign entrepreneurs convened by the United Nations Industrial Development Organisation (UNIDO) and the Russian Government, the Russian side will present 103 investment projects in the area of the conversion of military industry facilities to civilian uses and of high technologies. The projects have been examined by UNIDO experts.

Expert Suggests Capital Returning

MM2609125994 Moscow ROSSIYSKAYA GAZETA in Russian 22 Sep 94 p 2

[BIZNES-TASS report: "Capital Returning?"]

[Text] Analysis of Russia's balance of payments enables one to draw the cautious conclusion that capital illegally exported from the country in previous years is beginning to return. A report to this effect has been delivered by Mikhail Dalyagin, chief analyst of the Russian Federation President's Analytical Center.

By way of indirect evidence of this phenomenon he cited, in particular, the positive balance for the "Mistakes and Omissions" indicator, which often serves to conceal unrecorded funds. This indicator also partially characterizes the size of illegal operations involving capital. In the first quarter of 1994 it stood at plus $318 billion, compared to minus $2 billion for the analogous period of last year.

In the expert's opinion, a peculiarity of the investment of foreign capital in the Russian capital which has now begun is its hidden character (the enactment of transactions through intermediaries), since direct investment involves a need to resolve a whole series of juridical, bureaucratic, and criminal problems. According to certain information, already at the present time foreign capital controls the major part of Russia's confectionery, tobacco, beer, and knitwear industries.

Yeltsin Edict To Set Up Securities 'Watchdog'

MM2609114394 Moscow ROSSIYSKIYE VESTI in Russian 22 Sep 94 p 1

[Report by Igor Petrov: "A 'Watchdog' Will Appear on the Securities Market"]

[Text] Several presidential edicts governing the activities of the securities market are expected to be signed in the very near future. One of them is to validate the statute on the Securities Commission under the Russian Federation president. The final text of the almost 30-page

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document is now being agreed in the appropriate departments. It will cover practically all aspects relating both to a security itself and to its issuing body. All-around control over the seller and absolutely full information for the buyer will be regarded as of paramount importance. No security will be granted the right to life without a detailed expert appraisal and ruling by the commission. According to a proposal by the State Committee for the Management of State Property, it is proposed to endow this organ with executive powers in addition to control powers, i.e. the commission will be granted the right to apply any measures of influence to violators, even including revoking their license and closing them down.

This is where a serious problem arises: Will a commission of 25 people be able to become a genuine authority and a "legislator of fashions" on Russia's highly complex stock market? Previously these questions were tackled by the Ministry of Finance and the Central Bank, which have good specialists in this sphere. Nevertheless, as is known, there were quite a few failures.

One more point: It is not yet clear how the draft edict corresponds to the draft law on the securities market which is being prepared by the expert council under the State Duma. If there is a "failure to dock," one more edict will have to be adopted—on the formation of a commission to control the commission's activity. Meanwhile, people who like to issue "secure" securities will calmly fish in the troubled waters of financial machinations.

Yeltsin Issues Edict on Supporting Zil Corporation

LD2309182294 Moscow ITAR-TASS in English 1612 GMT 23 Sep 94

[By ITAR-TASS]

[Text] Moscow September 23 TASS—A decree "On Financial Improvement and State Support to Reorganization of the Moscow Joint Stock Society of the Likhachev Car Plant (Zil)" was issued by President Boris Yeltsin today, the presidential press service told ITAR-TASS.

The document is part of the state policy of support to industrial enterprises.

The president supported the Zil proposal to develop and implement a comprehensive program of the plant's adaptation to market conditions.

He instructed the government to help the Zil in the program's implementation. The decree contains various forms of state support to the Zil plant and financial assistance.

President's Latest Economic Edicts Examined

MM2609121194 Moscow ROSSIYSKAYA GAZETA in Russian 24 Sep 94 First Edition p 1

[Article by A. Yevgenyev: "Fifth Ruble; on Latest Package of President's Economic Edicts"]

[Text] The president no longer has the time to waste energy on secondary matters. The latest package of edicts is aimed at the most important issues—the solution of the nonpayments crisis and the attraction of private investment into the economy.

It is universally recognized that the problem of nonpayments, apart from everything else, reflects the imperfection of the mechanism for resolving economic disputes. Many enterprises, left without funds, cite the fact that they cannot appeal to arbitration because they cannot pay in advance the court tax equal to 10 percent of the sum of the deal. The edict "on stamp duty" not only reduces by at least half the actual size of the stamp duty when cases are examined in court but introduces a sliding scale instead of a single rate: The larger the sum involved in the claim, the relatively smaller the stamp duty.

But getting arbitration to adopt a particular decision regarding nonpayments is only half the matter, Vice Premier Aleksandr Shokhin believes. It is important to implement it. In this connection two draft laws have been elaborated—"on final process" and "on bailiffs." If in the first days of the State Duma's work our parliamentarians manage to examine and adopt them we shall have an integral system for appealing to arbitration on nonpayments and for the execution of courts' decisions.

Another edict—"on private investments in the Russian Federation"—is interesting in that essentially it provides the mechanism for the competitive distribution of part of the state budget. Four plus one—that is the formula suggested for use for financing efficient projects. In other words, four private rubles and one state ruble. Here the projects will be selected by competition and should therefore have a business plan. Investors who have put their money in projects from the federal program acquire the right to property in proportion to their share of the expense. And to ensure that the volume of "competition" sums does not depend on the market situation connected with the budget, the levying of taxes, and so forth, it has been stipulated that the "fifth ruble" is no less than 0.5 percent of the GDP.

In the government's opinion linking up with the private investor is not only a substantial financial help to the Russian economy but also a hope that the money will work flat out and produce a return very rapidly—in goods for the store shelves and taxes for the treasury. But will the private investor accept such terms? Vice Premier Aleksandr Shokhin is convinced that there are already those who agree. And it is not only a question of them being unable to collect a further 20 percent in funds. It is something else that is important to them. To feel that their project is within the mainstream of the state's interests, that the authorities will not abandon it, still less start to put spokes in its wheel.

A third presidential edict assigns the government the task of approving within a month an interim statute on financial leasing. It is a case of joint-stock companies,

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mainly of the open type, which will mobilize free commercial funds to use them for a specific order to acquire equipment and rent it out. With time the client will be able to buy the equipment he has obtained by this means. The main aim of leasing, Shokhin believes, is to support small and medium business, which has nothing with which to buy expensive equipment, and also the high-tech sectors, particularly the converted military-industrial complex. Specialists note that initially leasing companies will obviously have to be given state support. It is not ruled out, in particular, that they will be given customs benefits when importing goods intended for leasing operations.

Chubays Views Economic Upturn, Nonpayments

MM2309112594 Moscow IZVESTIYA in Russian 23 Sep 94 p 4

[Report by Igor Karpenko of interview with Vice Premier Anatoliy Chubays; date and place of interview not given: "Anatoliy Chubays Warns the Russians...."]

[Text] In his interview with IZVESTIYA Vice Premier Anatoliy Chubays called the rapid growth of the price of shares in privatized enterprises in recent months a fantastic event. The drastic changes which this process will cause have still not been understood by society, journalists, or even the government. But they are leading inevitably to Russia's economic upsurge.

On the world securities market a rise in the price of the shares of an enterprise by 40-50 percent is regarded as an unprecedented success. After the completion of voucher auctions in June on the Russian market the shares of many dozens of privatized enterprises rose in value several times over. Last week alone the price of the shares of the majority of oil and gas complexes rose 50 percent and the shares of all oil enterprises rose 30 percent in just one day. In A. Chubays' opinion this is a stable, steady tendency and its dynamic is being retained day by day.

"I admit," he said in our talk, "that with the most favorable scenarios for the development of events in the country, with the most optimistic advances in the economy, in my innermost hopes I reckoned that this was possible no earlier than in the middle of 1995. It turned out that it is possible right now...."

Money Returning from Abroad

The sources of the major changes on the securities market lie primarily in the attraction of foreign capital and the return from abroad of the money previously exported by Russian entrepreneurs. By early September on this market the total volume of "portfolio" investments (money collected by professional middleman companies) was over $2 billion. Of this sum $200 million—10 percent—was returned to Russia from abroad by our entrepreneurs. As we know, the government counted on receiving over the entire year just $1.5 billion yet in six months it has received $2 billion, and in "portfolio investments" alone. Here too there is the same growth dynamic: In July, for instance, compared with June investments rose nearly 40 percent and in August they rose 40 percent compared with July.

"I am convinced," A. Chubays said, "that by the end of this year investments will reach $1 billion a month and will continue to grow in 1995. These are not calculations but real figures from major firms through which investments pass."

Actually, it is not only these firms which enable the chairman of the Goskomimushchestvo [State Committee for the Management of State Property] to draw such optimistic conclusions. At my request Anatoliy Borisovich clarified the situation regarding long-standing rumors of a forthcoming deal of the century—the sale of 10 percent of "Gazprom's" shares for a fantastic price. Yes, this is now more than a protocol of intent—real middleman companies are already forming a portfolio of orders for "Gazprom" shares. So far it is still impossible to cite a precise price for the forthcoming deal but it is indeed a question of tens of billions of dollars. And this applies not only to "gas" shares.

"I am now having talks with a major U.S. investment fund," A. Chubays said, "which has already invested, for 'minesweeping' purposes, as they put it, $100 million in Russian shares. Now they are s seriously offering a new 'portfolio' order for $3 billion. You realize that just one company of just one country is offering in a single deal three times more in investments than Russia received for all of 1992. And it is not only a question of dollars. We have already well understood the role of such 'portfolio' investments. The firms which make them are the best advertisement for Russian property on the world market, attracting capital to Russia.

"One can take a specific situation, for instance: A Western firm—an institutional investor—has acquired 10 percent of the shares in the Novolipetsk metallurgical combine for U.S. and British entrepreneurs. And now the shares of the Russian metallurgical plant are being placed in Syria, Egypt, and Asian countries. Interest is now being aroused there too in the Russian market. That is exceptionally important: if today we win the competition for investments on the world market that is a 100 percent guarantee of the swift resurrection and success of Russia's entire economy."

Today, A. Chubays believes, everyone is beginning to see the futility of opponents' political attacks on voucher privatization such as "selling off Russia's property for a song" and "deceiving the labor collectives" and the population who have received "a valueless paper voucher instead of property." In all just the one deal involving "Gazprom" should produce no less than $20 billion—a sum equal to half the country's present budget. The state has holder of an enormous block of shares is growing rich before our eyes with virtually no effort.

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The money so necessary today to modernize and update production has already filtered into many privatized enterprises—the foreign investor is prepared to do business only with them and not with state enterprises. Today's investments will today mean reliable employment, a real outlet onto the world market with competitive output, and the boosting of production and the workers' living standard.

Shares Increase in Price

Finally, millions and millions of Russians, whatever the political opponents of reforms may say, have received a share of property which is growing rapidly in price. Thus, even the participants in the voucher auctions which are ending received for their vouchers shares in enterprises which entirely realistically make them affluent thanks to changes on the Russian securities market. A share in a Russian GES [hydroelectric power station] for instance, acquired for one voucher is now worth 151,000 rubles [R] while a share in "Yuganskneftegaz" is worth R214,000 and a share in "Komineftegaz" R759,000 and so forth. But those are the participants in voucher auctions. In labor collective through closed subscription people have exchanged their vouchers for several shares and received dozens of preferential, free shares. Those same closed auctions for the petroleum and gas complex held in dozens of regions of Russia have already actually made millionaires not of hundreds and thousands of businessmen but of millions of ordinary Russians, especially among the indigenous population of the North and Siberia. And their position is constantly growing with the price of the shares on the security market. "I want particularly to stress once again the dynamic nature of this growth," Anatoliy Chubays said. "I am sure that over the two to three days in which you prepare this article about our talk the price of shares in privatized companies will show a further marked and tangible increase."

The activity of Russian investors on the securities market looks far more modest today. The pace of privatization at its monetary stage has obviously declined—a few small enterprises have changed their form of ownership according to the new rules of the privatization programs for 1994 although they give more advantages to the investor, including the foreign investor. The Goskomimushchestvo leaders even halted their traditional meetings with journalists for a whole month.

"The monetary stage of privatization should objectively proceed more slowly," Anatoliy Chubays replied to this question. "But a certain slowing down of the process in July and August also took place for reasons which can be called subjective. Our entire system of privatization 'exerted itself' so much in May and June that somehow I did not have the breath to catch up with people who had performed a year's work in two months. Of course, it was not easy. It was very hard. To this day the Federal Property Fund is summing up the results of the concluding voucher auctions, particularly unique auctions like the "Gazprom" one which are unprecedented in history in terms of the volume of shares sold and the number of participants. So a certain slackening was natural after such work and it also, incidentally, coincided with the summer vacation period, and not just in our country. Now everything is getting back to normal. The Goskomimushchestvo is tidying up the loose ends and voucher privatization accounts are being settled. In these two months at money auctions there has been quite a good volume of sales of 5-10 percent blocks of shares—the leftovers from voucher privatization. Attention is now focused on completing work on normative documents backing up the mechanism for the operation of monetary privatization. Our internal documents have been elaborated coordinating the actions of the regional committees, property funds, and bankruptcy agencies and dividing up their powers—the privatization of 'normal' enterprises and the alteration of the form of ownership of insolvent enterprises through the bankruptcy procedure. Here there are complications and special features. For instance, a government resolution has established the procedure for the bankruptcy of insolvent enterprises which make a city. Understandably, you cannot simply stop an unprofitable enterprises, even one producing output which cannot be sold, if this enterprise determines the very existence of the population of an entire rayon. A solution to the problem has been found. In particular such enterprises will be sold to a new owner with the compulsory retention of jobs, and so forth."

Nonpayments Crisis Largely Artificial

Nonpayments have today become a very acute problem of Russia's economy and the number of potential bankrupts for this reason is 30-50 percent of enterprises in most regions. An enormous number of plants have been stopped, and some of them have proved to be insolvent through the fault of the state itself, which is not meeting its commitments as a client and is holding back wages even for budget-funded enterprises for many months. How do the optimistic forecasts of economic successes even with the rapid growth of foreign investments comply with their financial state and the nonpayments crisis?

"Of course, this is a serious problem. It is also serious for the state," Anatoliy Chubays replied. "Yes, the government even now does not have enough money to settle all internal debts. The execution of the budget as of today stands at just 62 percent. But whereas at the early stage of the reforms the truly tough economic situation, the tough operation of the tax system, the real underpayments into the budget, the nonfulfillment of budget commitments, and much else determined the emergence of an entire system of nonpayments and as it were tied this very complicated knot, now the situation has changed drastically. It has acquired a qualitatively new aspect—the criminal one. I am deeply convinced that up to half of all nonpayments are connected with the fact that they have become a source of enrichment for people

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who have turned a difficult situation for the country into criminal business. This was manifested particularly clearly at the recent session of the government commission on nonpayments...."

From Anatoliy Chubays' account there emerged a virtually standard pattern for the new "insolvent" business. For instance, petroleum refining enterprises supply their output to 100 enterprises including to those who already have huge debts for past deliveries. Month by month according to the documents the output goes there although the debtor has no money and there is no payment going anywhere from it. It emerges at the simplest analysis that the persistent debtor as a rule is a limited liablity partnership with an incorporation capital of R100,000 and three or four workers. Dozens of enterprises with money are prepared to pay and are in line for output but it goes to the hopeless debtor without him having to wait although his nonpayments long ago exceeded tens of billions of rubles. You don't have to be Sherlock Holmes to work out that the money is being shared between the two directors or it is simply one company concealed by the cover of a limited liability partnership.

One more curious testimony to the artificial emergence of "nonpayments" was revealed by an analysis of the financial position of enterprises now being carried out by the regional bankruptcy administrations. According to existing legislation when it has been established that an enterprise is insolvent its leader is sent an official letter simply warning of possible bankruptcy. Only a warning, which does not yet provide for any measures to remove the enterprise leader, for instance, or to sell off part of its property to pay the debts, and so forth. A simple piece of paper bearing Sergey Belyayev's signature has a truly magical effect worth many billions of rubles. Instantly, from who knows where, the debtors pay out enormous sums of money to the creditor enterprise. And the creditor enterprise pays its own creditors. And after a week it reports to the bankruptcy administration that all the problems are solved, its finances are completely in order, and thank you for the analysis and assistance. At the same time a din is raised in the press and on radio and television—look, the bureaucrats are attacking the collective of our enterprise with its traditions going back 100 years, with its output essential to everyone, they mean to throw people out onto the street, remove the director they do not like, and so forth. Anatoliy Chubays called the famous story of the "Kristall" plant, which in two weeks plaid R500 million to the Bryansk spirits plant and debts to a further dozen creditor suppliers a typical example of this typical situation.

"...And It Is As Though I Was Talking About Life on Mars"

"I understand well," Vice Premier Anatoliy Chubays said, "that everything I have said to you about the success of the reforms has little in common with the daily feelings of people who have found themselves in a very grave position at plants which have now come to a standstill. For a man who has not received his wages for three months my thoughts about how 'portfolio' investments have entered Russia is as though I was talking about life on Mars. But as a professional economist I am firmly convinced that tomorrow this means the solution of the problem of this man's wages. The reforms have already changed the institutional foundations of society, have changed the form of ownership, financial stabilization has been achieved and, if we resolve the investments problem today, tomorrow everyone will speak of an economic miracle in Russia...."

I should very much have liked to end my talk with Anatoliy Borisovich on this optimistic note but unfortunately I had to speak also of IZVESTIYA's relations with his department. Our newspaper's no. 161 issue published an article by Konstantin Kadrov entitled "Neo-Soviet literary putsch" containing a reference to a nonexistent letter from the Goskomimushchestvo allegedly recommending that writers of different convictions be united into a common writers union on the basis of their property interests. The matter was aggravated by the same author's clumsy attempt to justify his action. The editorial office made a mistake and apologizes sincerely to the Goskomimushchestvo workers.

"I reacted so sharply to that IZVESTIYA article because at a dozen meetings with the public and journalists I had already been obliged to answer approximately the same question: How did you get to producing such documents? Initially I did not even understand what it was about but when I had investigated I began to explain that there was no letter, there was no similar document that might have been confused with it. I answered once, twice, three times; I even appeared on 'Mayak,' but it has been no help, I am asked the same question again.

"As an official I cannot understand how a newspaper with a huge circulation can brand someone because 'Petya said something to Vasya.' Well, all right, someone has made a mistake. But he should have the courage to say honestly: Forgive me, I made a mistake. But instead of apologizing, Kadrov, to whom, at my request, Arkadiy Yevstafyev tried to explain the absurdity of the situation, reacted very strangely, once again in IZVESTIYA—since there was no such letter from the Goskomimushchestvo there is still less grounds for putting together the union.... A bad story, which is not like your newspaper. I can imagine dealings of this kind with PRAVDA or SOVETSKAYA ROSSIYA, but not with IZVESTIYA. After all, you are read by normal people and they consider that something has been written not just anywhere but in IZVESTIYA and that means something has happened. They have bought Chubays or something else is wrong.... My position on this score? As a member of the government I cannot and do not want to have a position because I am convinced that in general the government should not interfere in writers' affairs. But as a man I consider it intolerable to unite Prokhanov, for instance, with Afinogenov. I cannot imagine

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how this could be implemented in practice at all even if there are some common property interests. To me it is a forbidden area....

Conference on Stock Market Reported

MK2409114094 Moscow NEZAVISIMAYA GAZETA in Russian 24 Sep 94 p 1

["NG" report under the "In Brief" rubric: "Secret Conference"]

[Text] A closed conference of representatives of major firms participating in the stock market, chaired by Ruslan Orekhov, chief of the State Legal Administration of the Russian Federation president, took place yesterday. Formally, it was devoted to a discussion of one of the versions of a presidential edict on ensuring state regulation of the stock market; however, the discussion at this meeting was concerned with more fundamental problems of Russian "stock marketeers." Being formulated were fundamentally different approaches to both the procedure regulating this market, and the types of securities, and primarily to dividing them into registered and unregistered. The conference participants also discussed questions of letting into the Russian market securities of foreign nonresident firms, and of how to ensure the state's financial security in that sphere. The majority of those present agreed with the view that there should be a special coordination body to regulate the activities of Russian stock marketeers. Importantly, unlike what has been provided for in the draft edict, this body is supposed to take orders directly from the president rather than from the government, which is rent by group interests.

Communications Ministry Plans Digital Network

LD2609133894 Moscow INTERFAX in English 1052 GMT 26 Sep 94

[Text] By summer 1995 Russia might be ready to get down to the implementation of the "50x50" project that implies the formation of a federal high-quality overlay digital communication network in Russia worth $40 Bn. The press service of the Ministry of Communications informed Interfax that the business plan of the project made by the ministry has been submitted to a Western audit company for examination.

The Russian Overlay Network (RON) formed at the beginning of the year to carry out the project hopes to sign in the first half of October a memorandum of understanding with three Western telecommunication corporations: U.S. West, France Telecom and Bundepost Telekom that are ready to invest $600 Mn in the project today.

The corporations won the right to participate in the project in an international tender organized by the Russian authorities by offering the most favorable terms to the Russian side. One of the conditions was that 50 of the digital equipment be manufactured by Russian plants using Western technologies.

RON that represents the interests of 50 regional telephone companies, the Russian national Rostelecom company and the Russian Institute of Communications will work out an alternative business plan of the project after signing the memorandum. Foreign investments in the project are expected to amount to 40%.

According to a ministry spokesman, Russia has decided not to increase the number of Western partners at the first stage of the project that will last for three to five years. Later RON does not rule out the possibility of involving other foreign companies, in particular manufacturers of communication equipment.

Rain, Lack of Equipment Blamed for Slow Harvest

MM2609141594 Moscow ROSSIYSKAYA GAZETA in Russian 22 Sep 94 p 1

[Unattributed report: "We Will Have Our Own Grain"]

[Text] By the beginning of this week grain and pulse crops had been harvested on 34.4 million hectares—69 percent of the sown area. The Russian Federation Ministry of Agriculture and Food has reported that 63.6 million tonnes of grain have been threshed, compared with 78.2 million tonnes by the same time last year.

Harvesting of grain cereal crops has been completed on farms in the Central Chernozem and North Caucasus Regions and also in Orel Oblast. Grain crops are, as previously, being harvested with a considerable lag, compared with last year's pace, in the Central, Volga-Vyatka, Ural, and East Siberian (except Krasnoyarsk Kray) Regions, in Novgorod, Pskov, Omsk, and Tyumen Oblasts, and in Altay and Khabarovsk Krays. The main reasons for this lag in harvesting grain crops are the late ripening of grain crops, the abundant rain in the course of harvesting, the shortage of grain-harvesting equipment, the reduction in the combine pool, and the lack of spare parts.

Official Forecasts Rise in Unemployment

LD2409162894 Moscow INTERFAX in English 1310 GMT 24 Sep 94

[Text] Head of the Federal Employment Service Fedor Prokopov told Interfax that the situation on the Russian market of workforce was likely to deteriorate.

He said that in 1995 the situation would be even more painful due to a continuing industrial decline.

According to the latest reports, the number of officially registered unemployed has reached 1.6 million. In fact, the number of jobless is 5 million. By the end of the year, the number of officially registered unemployed is likely to increase to 2.5 million, said Prokopov.

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The rate of unemployment—the ratio between the registered unemployed and the workfit population—stood at 1.7 in September. The real rate of unemployment is much higher than the official one, because only 25 percent of the jobless apply to employment centers, he added.

Women account for 70 percent of the unemployed. One third of the young people cannot find a job. Twenty six percent of the Russian citizens fail to find a job for more than eight months.

Return to 'War Communism' Threatens Economy

MM2609092594 Moscow RABOCHAYA TRIBUNA in Russian 20 Sep 94 pp 1-2

[Article by Doctor of Economic Sciences Prof. Vilen Perlamutrov, deputy director of the Russian Academy of Sciences Institute of Market Problems, under "Viewpoint" rubric: "Are the Present Reformers Leading the Russian Economy Toward 'War Communism' or Toward the Market? There Is Much Evidence To Suggest That the Answer Is 'War Communism'"]

[Text] The Russian economy is being buried under an avalanche of nonpayments. Debts are rising all the time: Debts owed by plants and factories to their suppliers (and by the latter to their workers), by enterprises to the state (and by the latter to farmers, teachers, the defense sector, and culture), by the CIS countries to Russia for oil supplies (half of the total debt is owed by Ukraine), and by Russia for Western credits. Our state has still not handed over the money owed to the agrarian sector for last year's harvest and the new harvest is already underway. The country's power stations have been supplying consumers with electricity for over 200 days now but have received hardly any payment for it. The power stations themselves, of course, have not been paying the miners, oil workers, or railway workers.... This cancer has been spreading through the national economy's manufacturing system. This is more terrible than inflation: These massive nonpayments, rising at a rate of 8-10 percent a month, are radically undermining production. By September nonpayments exceeded the volume of production in industry and construction and there is worse to come, as they say.

The government is extremely worried. A special commission meets each week. Decisions are made, the most rigorous deadlines are set, and the culprits are named. Let us ask ourselves this question: Who is to blame; in other words, what is the reason for nonpayments? After all, you cannot defeat this ailment until you have diagnosed it correctly.

My profession, unlike that of Gaydar, Chubays, Shokhin, B. Fedorov, Nechayev, Aven, and other initiators of the shock reforms, is finance. I have calculated that there are 11 reasons. Probably there are more. But it is not the quantity that matters.

Kozma Prutkov tells the following story. A general once surrendered a fortress to the enemy without firing a single shot. On trial he was asked: Why? He replied: "There were 18 reasons. Number one—there was no gunpowder...." Exactly the same thing has happened to our reformers: They deprived the economy of its "powder"—enterprises' circulating capital. Because in January 1992 prices were set in free flight so that they skyrocketed. How can that be, free prices are a great market gain. However, enterprises' circulating capital (money used to pay for supplies and services) was viewed by the financially illiterate reformers as a mere trifle, a minor matter to be sorted out. Perhaps they had never even heard those words before....

As a result wholesale prices have risen over 1,200-fold during the years of "market reforms" whereas enterprises' circulating capital increased by a factor of just a few dozen. Thus the insolvency of the economy was predetermined. It does not matter what you do—whether you replace state property with private property (or vice versa), introduce stock exchanges, or not, call it the market or the nonmarket—if the production enterprises' accounts are consistently empty, that is all there is to it. And without payment—on time and in full—the economy cannot and will not work. That is what is happening. Our economy is being "surrendered without firing a single shot."

Indeed, industry has been in decline for almost five years now. During those years out fell by 60 percent, agricultural production fell by a third, and construction fell by two-thirds. Light industry fell by 80 percent, machine building by 75 percent, and bread production dropped 25 percent...

For comparison's sake I would note that during the Great Depression in the United States in the early thirties industrial production fell by almost a half. This was a near catastrophe. In the FRG in 1947 production was 47 percent down on 1938 and that was also regarded as a catastrophe. What about us now?

The market or not the market.... Are we really moving toward a market economy? No, there is no market without precise payment. Without payment you have a different kind of economy. It was given the name of "war communism." It began during the civil war and once again it was caused by nonpayments. We are not all that far removed from that situation: If production is halved again we will be back to the state of the Russian economy of 1920 compared with that of 1913. Are we really heading toward food-requisition detachments, compulsory labor, and food rations?! Meanwhile, the democratic newspapers and television tirelessly repeat: Onward to the market, to the market! But in fact it is just like in Griboyedov's play: "I was going into one room and ended up in another...." In other words, the great master builders of capitalism are leading Russia along a new road to an old future. Oh, what great builders....

But it is as though they set about it the wrong way around—they did everything they could to make sure

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that they went into the "other room." Clearly the reformers' initial scheme was Napoleonic in scale—for the first time in world history they planned to build capitalism (in an anticapitalist country) in just a few years. Any means will do to achieve that goal: The crazy price races between sectors and enterprises undermined the value of circulating capital and are continuing to do so: Enterprises' taxes have risen sharply (instead of one-third of their profits they now have to pay virtually the lot to the treasury); interest rates on bank loans have been raised 150-fold, with disastrous consequences for production; the state budget itself is saddled with nothing but debts because of the sharp fall in production and thus cannot provide the finance to boost circulating capital. In other words, the result of their actions is to leave enterprises themselves unable to really increase their circulating capital, and the banks and the treasury have not helped them in that regard. Even those crumbs which the population have accumulated are being channeled not into production but into MMM, Tibet, Selenga, and other "buy and sell" organizations. As a result money has switched from production to the "buy and sell" organizations because they offer the fastest turnover of capital and, consequently, decent profits. Meanwhile, the impecuniousness of the producers means that production volumes in the country are falling. As for our teachers and benefactors in the West, they promised us all sorts of things (first 24 billion, then 4 billion) but in the end gave nothing and are not going to. And they are right not to do so.

What will happen next? How are we to get out of the payments crisis and the economic crisis in general? I am convinced that in the central economic departments and in the government there are people who can see the imminent catastrophe and ways out of it. But as far as I can tell, they are well aware that as soon as they say anything the fathers of the reform will make their lives hell. What an uproar the newspaper and TV intellectuals will make then!... Who is going to admit that instead of a "civilized market" they have led the economy in completely the opposite direction? That is why, although some things are being done, the situation is not being rectified. There are no results in evidence. Yet every day's delay makes the problem increasingly difficult to resolve. For example, the idea of using bills of exchange to resolve the payments crisis is popular among the president's economic advisers. Government decrees and a presidential edict on the use of bills of exchange to normalize payments are being prepared (there was an edict a year ago but it improved nothing).

I wrote then and I repeat now: In our current situation bills of exchange will not work. A bill of exchange is not money but an IOU, that is, a promise to pay as soon as the money is available. The point of bills of exchange is to defer payment until an agreed date. Let us suppose that at the start of the year the country's energy system received signed bills of exchange from consumer enterprises. This is a way of saying: We will pay for the electricity and heat in the fall. The power workers, in turn, then sign those bills of exchange and use them, as they are allowed, to pay the miners, the oil refinery workers, the rail workers, saying—we will pay you in the fall. Let us even suppose that all the debtors exchange bills of exchange with all the creditors. Then fall comes. What has changed? Does the metal industry, the textile industry, the aircraft industry, and the food industry now have the money to settle their debts? No, they do not. They do not even have enough money to pay their workers' wages. Production is falling, costs are rising, wages are being delayed and there is no money to clear the credit against goods.... Thus the crisis will grow as it did even without bills of exchange. All that you have is the semblance of greater effort and even more paperwork.

When there is absolutely no cash around, bills of exchange do not work. They knew that back in the days of the merchants Kolupayev and Razuvayev. So how is it that we still have not learned this a hundred years later? Gentlemen, at least ask your foreign advisers for advice—there are thousands of them in Russia and that is what they are paid for. A hundred years ago a merchant would receive a consignment of goods from the factory (or the factory owner would receive raw materials from the merchant) in return for a bill of exchange: Then, one, two, or even three months later I sell the goods, make a profit, and use that to settle my bill. Do we have a deal? Yes, we have a deal! And you get a bill of exchange. If the bill of exchange is not redeemed on time Kolupayev or Morozov the manufacturer winds up in debtor's prison and stays there until he does pay. If there had been universal insolvency in those days who would have signed or accepted a bill of exchange from a contractor? No one, of course. That was the kind of sphere in which bills of exchange operated. There is no scope for them in our country today.

Another idea popular with the reformers nowadays is that defaulting debtors should be subjected to bankruptcy procedures. This idea seems to appeal to those economic advisers because they have a particular interest in privatization in our country: There are rich pickings to be had from the chaos in Russia, why not take them?... On the face of it they are right: Since you have not paid on time you are bankrupt. In the last century what happened was that if you were declared bankrupt you went to the debtors' prison (it was abolished in 1902). But once again this procedure is not applicable to our present-day general economic situation. In fact it was the bankrupt whose actions (or inaction) reduced him to a state of insolvency: He bought unwisely, sold unwisely, paid too much, in other words, he "consumed" his own circulating capital. But our situation now is completely different—since January the state has devalued the circulating capital of the whole economy. The reformers have not increased that capital, they have "consumed" it. So who has bankrupted whom?

In a purely financial sense, if our power industry wanted to reduce its debts it should cut off the electricity and

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heat supply right now to those who have not paid their bills in full. But that means almost all its customers. What will happen then? The very next day you would have a wilderness instead of a country. And winter is just around the corner.... Then the miners, the peasants, and the rail workers would have to follow that example—for the same reason. What would the result of that be? Exactly the same. And all of these things taken together would be immeasurably worse than "war communism"—at least the latter maintained some vital activity in the country. That is the possible result of the simple and natural market procedure of bankruptcy in our economy which is not simple and is hardly market-based.

I say "hardly market-based" because our market is in transition. Whether it is in transition to the market or to "war communism" no one can seriously say today. It will all depend on how the transition itself is handled. And I wouldn't be too sure about that at the moment....

There is one more point. Proponents of the bankruptcy method [bankrotchik] constantly assure us that bankruptcy does not mean the closure of the debtor enterprise, merely a change of owner who will sort everything out properly. I do not know what this is—is it naivety, ignorance, or an uncontrollable desire to "fulfill the capitalist 5-year plan in four years!"? It is probably all of those things.

Let us suppose that under this form of bankruptcy plants, factories, and mines are bought up by new owners. Then, of course, they will have to settle the old debts of what is now their enterprise and, of course, find enough circulating capital to ensure normal working. Even by the most modest estimates that will amount to several hundred trillion rubles. None of our potential new owners has that kind of money today. No matter how much they had, it would not be enough to ensure normal production operations. Hundreds of trillions of rubles is several times more than the country's national income last year. What does this mean? It means that the new owners will end up with the same nonpayments problems that built up before. What then? Nationalization? Or abolish money entirely?... Our smooth-talking intellectuals have one invariable quality—they do not think things through.... This characteristic has led to many disasters in the past; what else might it lead to now?

In fact the state authorities can lead the economy out of crisis—just as they led the country into it. In our century every country in the world which has been in a difficult crisis has been rescued from it by the state authorities. The first thing you have to do is to organize production growth. In my view, that means establishing parity prices for successive redivisions [po posledovatelnym peredelam] of the national economy (not as things are today where it costs more to ship coal than to mine it); utilizing Central Bank credits to top up the circulating capital in the economy and establishing the truly dictatorial power of the Central Bank over commercial banks (as happens throughout the "civilized world"); reducing the number of taxes levied (there are more than 50 of them, a fact which in itself deprives the treasury of control over budget revenue) and cutting the basic tax rates (taxation today is simply plundering production) on the priority areas of production in particular—agriculture, the power industry, housing construction, transport and communications, and defense; cutting loan interest rates sharply to make production more attractive to investors than buying and selling or speculation; and establishing a procedure for entering the foreign market exclusively via the large, state-controlled, commercial firms or syndicates which perform export and import operations on a commission basis.

Only when production growth is ensured will it be possible to overcome both the payments crisis and the general crisis of the economy. It is only on this basis that inflation can be curbed, too. It is not the other way around, as we are constantly being told: We will bring down inflation (by squeezing the money supply, of course, and it has been squeezed to the maximum) and then everything will sort itself out. It is time to understand that we are not going to bring down inflation and things will not sort themselves out. And at the moment nonpayments have almost defeated us. The Russian economy today is like a cancer ward. What are we going to do now?

Military & Nuclear Issues

Ministry: Planned Defense Spending 'Not Sufficient'

LD2609133794 Moscow INTERFAX in English 1052 GMT 26 Sep 94

[Text] In next year's budget estimates prepared by Russia's Finance Ministry defense allocations amount to 60.2 trillion rubles, a senior official from Russia's Defense Ministry, Colonel General Vasily Churanov, told the State Duma's defense committee. He said this sum was not sufficient to maintain the country's defense capability at the necessary level.

Analyzing the implementation of this year's defense budget (40.6 trillion rubles), Churanov said that by September 26 the Defence Ministry had received from the Finance Ministry only 14.6 trillion rubles, or 53 percent of the funds allotted for the past nine months.

According to the general, money is lacking to pay for the purchases of foods, fuel and electricity and for the repairs of equipment, since most of the funds received are used to pay wages.

Churanov believes that the principle of financing defence spending depending on the receipt of national revenues has "discredited itself."

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Proceedings Begin Over Missile Center Power Cut

LD2609170694 Moscow ITAR-TASS World Service in Russian 1521 GMT 26 Sep 94

[By ITAR-TASS correspnodent Anatoliy Yurkin]

[Excerpt] Moscow, 26 Sep—A criminal case has been instituted over the cutting of the power supply to the Strategic Missile Forces' Central Command Post. Major General of Justice Ivan Lebed, the Strategic Missile Forces' military procurator, told ITAR-TASS today that the case was instituted under Article 171 of the Russian Federation Criminal Code, which stipulates liability for exceeding one's authority or professional responsibilities.

The general said that the investigation will involve experienced lawyers who will have to find out why on 21 September Mosenergo officials cut off the Strategic Missile Forces' central command post from the power supply system, and for four hours the missile troops had to use reserve power units to maintain readiness to undertake any task. [passage omitted]

Premier Urges Restructuring of Arms Production

MK2709082094 Moscow SEGODNYA in Russian 27 Sep 94 p 2

[Report by Irina Vladykina under the "Visit" rubric: "Military-Industrial Complex Ought To Think About Its Customers. Howitzers and Self-Propelled Guns Do not Gladden Government Chairman"]

[Text] Viktor Chernomyrdin has suggested to directors of the military-industrial complex not to hope for defense orders in 1995. In Yekaterinburg, he toured the city's main enterprises and held a meeting on the region's problems with chiefs of Sverdlovsk Oblast.

The premier let it be known that "it simply pained him to look" at the "Kalinin Machine-Building Plant." "The country does not want either howitzers or self-propelled artillery guns in such numbers," he said after visiting the "Uralmashzavod" joint-stock company and the "Uraltransmash" production association. The "Uralmashzavod" joint-stock company still continues to turn out, alongside with rolling mills and walking excavators, howitzers which were supplied to 35 countries around the world in the past. The factory has had to cut their production sharply, however, due to lack of demand. In the meantime, having recognized the absence in Russia of an intelligible defense doctrine, the premier suggested that in its absence production should be completely restructured. "It is impossible to support huge collectives by doing odd jobs," he said.

Generals Oppose Baturin Personnel Commission

MK2409092594 Moscow OBSHCHAYA GAZETA in Russian, No. 38/63, 23-29 Sep 94 (Signed to press 22 Sep) p 8

[Report by Aleksandr Nikolayev under the "Under the Carpet" rubric: "Baturin's Commission Encroaches on What Is Most Sacred"]

[Text] In Sergey Filatov's administration a scandal has broken out in connection with the activity of the Commission on Top Military and Special Ranks that is part of the Russian president's Council for Personnel Policy. The reason is information leaks about who obtains general's stars and posts while bypassing the law, and how.

Infringement on Commanders

The commission was set up in March 1994 by presidential edict. The statute on it, also approved by Yeltsin, stipulates that: "The main principles of the commission's operation are (...) the collective discussion and adoption of decisions within the commission's jurisdiction; ensuring the implementation of state personnel policy; objectivity in decisionmaking."

Translated into human language, this means that the body is required to see to it that general's and other high ranks are conferred according to the law and on deserving people at that. "Yet another achievement of democracy," an attempt to place personnel policy under the control of a collective body, one might say. Presidential national security adviser Yuriy Baturin was appointed commission chairman, and Colonel General Dmitriy Volkogonov was made his deputy.

To all appearances, the chiefs and members of the commission, interpreting their responsibilities too literally, have started turning down numerous requests by the power structures (most of all by the Defense Ministry) for conferring the rank of general or appointing candidates to high posts in violation of legislation. The commission's intransigence very soon became a source of irritation for both some power ministers and Sergey Filatov himself. In addition, the State Legal Administration [SLA], which had hitherto amicably resolved the problems of dispensing stars and sewing stripes on trousers, was also harboring a grudge against the commission. At least formerly there had been no "misunderstandings" in that regard.

Not anymore. As early as this past April, a letter was sent to the president, which was signed by P. Grachev (Defense Ministry), A. Starovoytov (Federal Agency of Government Communications and Information), S. Shoygu (Ministry for Affairs of Civil Defense, Emergency Situations, and the Elimination of Effects of Natural Disasters), S. Stepashin (Federal Counterintelligence Service), Ye. Primakov (Russian Federation Foreign Intelligence Service), and A. Nikolayev (Russian Federation Border Troops).

The high-ranking authors collective advised the head of state:

"The granting of the said authority to the commission infringes on the rights of the Russian Federation president, the Russian Federation Defense Minister, other ministers, and chiefs of agencies in which military service is envisioned...

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In addition, current enforceable enactments confer the performance of personnel work exclusively on chiefs of the ministries and agencies **who bear direct responsibility for the selection, allocation, and promotion of cadres...**

The delegation of these responsibilities to the commission **undermines the authority of commanders** (chiefs), commissions on qualification assessment, and military councils.

Moreover, the consideration of personnel matters with regard to certain officials is strictly confidential in nature (for instance, the appointment of FIS resident agents), so submission of such matters to the commission would entail the disclosure of such information... (boldface added by editorial board)

The letter did not achieve its purpose. After Yuriy Baturin talked to the authors and explained the commission's objectives, all of them withdrew their signatures, except for Grachev and Shoygu. And this is fairly noteworthy.

Devoted Stands for Deserving

The fact that the commission did not live up to Pavel Grachev's expectation is well-known and realized by all. Personnel policy in the Russian Federation Defense Ministry has long been based on the principle of personal devotion to the minister. It has been noticed also that officers and generals most devoted to Grachev were concentrated until recently in the Western Group of Forces (WGF). At any rate, most of the illegal recommendations for promotions were coming from there when, for example, they tried to promote a "necessary" colonel to general despite the fact that the man was not holding a general's position (this is how the Brandenburg Regiment commander became a general).

The men in the Defense Ministry use all sorts of tricks to commend "nice people." Let's say that one of the aides to Deputy Minister Boris Gromov was appointed to a general's position at the General Staff Academy literally for one day, to be then promoted to a general's rank and returned back to the deputy minister's staff.

The height of "personnel license" in the Russian Federation Defense Ministry was the appointment of former WGF commander in chief Matvey Burlakov as deputy minister, who, in General Lebed's phrase, "has demoralized the troops entrusted to him to the utmost." Pavel Grachev had seen to it that the scandalous edict on Burlakov's appointment was signed, ignoring the negative conclusions by the Baturin commission.

The commission not only prevents Grachev from appointing his men to key positions, but also from removing from positions those he dislikes. One proof is the discharging of Admiral Gurinov, Pacific Fleet commander. That the Pacific Fleet commander began to impose order in the Fleet, that he launched a resolute struggle against under the table commercial projects among the military, was known to many people. Even in Kremlin corridors they began to say that Adm. Gurinov was an odd man in the current "generals' set" owing to his decency. And he indeed was soon finally out of it.

In the wake of the explosion at the Pacific Fleet military depot, Grachev promptly forwarded to the commission a recommendation on removing Gurinov from his position and discharging him into the reserves. However, on the strength of numerous petitions from the Main Naval Staff and applications from individual officers for Gurinov to continue in his position, the commission recommended to the president that the Pacific Fleet commander not be replaced. Yet the defense minister managed to talk Yeltsin into it.

Sergey Shoygu, minister for affairs of civil defense, emergency situations, and elimination of the aftermaths of natural disasters, also has all grounds not to be fond of the commission. Mr. Shoygu submitted for the commission's consideration a personnel schedule that would be the envy of the military department of any militarist power. The minister asked for 122 (!) general's positions: One of general of the army (for himself), nine of colonel general, 83 of lieutenant general, 76 of major general, 4 of rear admiral. The commission naturally turned down this petition, recommending that aspiring generals should temper their appetites.

Now Shoygu too should stalk the president in order to get him directly to sign the corresponding edict. If one considers that Boris Yeltsin never thinks about what image he projects in public eyes as he breaches procedures established by his own edicts, one can rest assured that the minister will manage to get the coveted signature.

The Prosecutor Is Above the Law

Up to a certain moment such maneuvers ended without scandal. A scandal flared up after acting General Prosecutor Aleksey Ilyushenko, in violation of the legal procedure, obtained for his deputy, Chief Military Prosecutor Valentin Panichev, the grade of lieutenant general of military justice.

It is no secret to anybody in the presidential staff that Ilyushenko is Filatov's man. Many have noticed that Sergey Aleksandrovich was very annoyed by the intransigence of commission chairman Yuriy Baturin, who objected to the rank of general being conferred on Captain of the Reserve Panichev, who has not served a single day in the army. Baturin stood up to the pressure. It is said that on the eve of the commission session "on Panichev" Ilyushenko took Baturin aside, and for some 30 minutes, holding him by the collar, taught him a correct understanding of the law. Judging by the fact that after this conversation the acting general prosecutor did not attend the session, "the high sides failed to reach a compromise." Soon Ilyushenko received a "Conclusion on V.N. Panichev's Nomination for Appointment to the Grade of Lieutenant General of Military Justice," which

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explained to the acting general prosecutor in detail which laws he had violated by favoring his "army" deputy.

Nonetheless in August, when Yuriy Baturin and Dmitriy Volkogonov were on vacation, a presidential edict awarding Panichev the rank of general was signed after all. Who exactly submitted it for signing is not known, but the possible options are very limited: either Filatov or Ilyushenko.

This could have passed off quietly, but this time Captain First Rank Tengiz Borisov, commission executive secretary, expressed his outrage at this instance of cadre arbitrariness and violation of the law. Sergey Filatov's reaction to Tengiz Borisov's "mutiny" was decisive and uncompromising: He issued a directive assigning the troublemaker officer under the Defense Ministry's command. Yet the undesirable information had "leaked" outside the Kremlin walls, and dirty linen from the "presidential cabin" was brought out for public view.

The scandal that erupted highlighted the difficult relationships in the presidential office. In particular the relationship between Filatov and a group of presidential aides, which includes Baturin and is headed by Viktor Ilyushin. Moreover, Borisov's exposure far from contributed to improving acting General Prosecutor Ilyushenko's reputation. After the Panichev case, the Federation Council will find it more difficult to confirm him in the post of general prosecutor. Meanwhile Ilyushenko was the hope not only of Filatov but also the president, who can now get for general prosecutor a candidate from the opposition, or a principled legalist. Either can hardly be part of Yeltsin's plans.

And finally, Filatov's rivals got an opportunity to accuse him of supporting corrupt generals behind the president's back. Thus, rumor now has it that Panichev received his two stars in acknowledgement for choosing not to initiate several dozen criminal cases on instances of corruption in the Western Group of Forces, and the fact that serious compromising materials against Col. Gen. Burlakov "dissolved" in his safe.

In this context it is rather suspicious that the Main Military Prosecutor's Office has indeed failed to open a single serious criminal case on corruption and thefts in the Western Group of Forces. This evil in the Western group was combated for the most part by Federal Counterintelligence Service officers. True, little is also known about the fate of the materials they transferred to the General Prosecutor's Office. It will be just as difficult to explain why the General Prosecutor's Office does not submit the criminal cases initiated against some highly placed Defense Ministry generals to the court. As is known, a pending criminal case is the most reliable and shortest leash on which to hold a person. This is how loyalty is brought. Who is the buyer? That is the question.

In other words, be that as it may, Filatov has given some trumps to Viktor Ilyushin, his competitor in the struggle for influence over the president. A retaliatory move should apparently be expected. Possibly from the president, who has been placed in an embarrassing situation by his "retinue" and who does not like clumsy players.

Poll Shows 35% Not Opposed to Totsk Exercises

LD2309135994 Moscow ITAR-TASS in English 1209 GMT 23 Sep 94

[By ITAR-TASS correspondent Tamara Ivanova]

[Text] Moscow September 23 TASS—Statements of representatives of the Working Russia movement that the joint Russian-American military exercise at the Totskiy training ground infringed upon the national interests of Russia were emphatically rejected by 35 percent of the Russian citizens, polled by the public opinion foundation.

According to the results of the public opinion poll, 16 percent of the polled share the opinion of leaders of the Working Russia movement. About one third of the polled (31 percent) admitted that they had heard nothing about the military exercise and another 18 percent found it difficult to answer the question.

The public opinion poll was conducted among the urban and rural population of Russia; 1,240 people were polled.

Ground Forces Commander on N. Caucasus Exercises

LD2409115494 Moscow Radio Moscow in Russian to Tajikistan 1600 GMT 23 Sep 94

[From the "Radio Slavyanka" program of the Russian Defense Ministry]

[Text] This fall is particularly rich in exercises. True, due to the well-known circumstances and primarily financial ones, these exercises are mainly being held on maps with the minimum use of the designated forces. These exercises are called command-staff exercises. Slavyanka correspondent Anatoliy Zinchenko reports by telephone about one of these exercises.

[Zinchenko] Today at the command-staff exercises that are being held in the North Caucasus Military District under the leadership of Colonel General Vladimir Semenov, commander in chief of the ground forces, at the antiaircraft missile and artillery range, there was a practical exercise of combat firing by an antiaircraft division under the command of Lieutenant Colonel Vladimir Polovinkin. Colonel General Boris Dukhov, commander of the ground troops' air defense forces, commented on the actions of the antiaircraft troops. Dukhov said that the training of the personnel and the coordinated actions of the gun crews made it possible successfully to carry out the tasks in the exercise, which were conducted under the leadership of the combined arms commander. According to preliminary results, the

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missiles fired from the antiaircraft forces hit their target 90 percent of the time. The ground forces commander in chief congratulated a group of soldiers who had distinguished themselves at the exercises.

Intensity of Training Ground Exercises Increases

MM2609133994 Moscow KRASNAYA ZVEZDA in Russian 24 Sep 94 p 1

[Report by Nikolay Astashkin, Valeriy Streltsov, and Oleg Vladykin: "Training Grounds Still Busy"]

[Text] As is well known, the intensity of troop combat training notably increases in the fall. The end of the training year is drawing near, and subunits, units, and combined units need to demonstrate the level of training and combat readiness they have achieved in a final test.... So the training grounds are busy at the moment.

A command and staff exercise led by Colonel General Vladimir Semenov, commander in chief of the Ground Forces, is being held in the North Caucasus Military District. As part of it, a tactical exercise involving live firing by an antiaircraft battalion was held at an antiaircraft missile and artillery range on the shores of the Sea of Azov. Lieutenant Colonel Vladimir Polovinkin's subordinates, changing their firing positions, hit 90 percent of the airborne targets and managed also to repel an attack by a sabotage group and to oppose an amphibious landing.

The experience of practical verification of the principles of air defense organization that was gained at the "Northwest" command and staff exercise in the spring is having a successful impact on combat readiness. This was stressed by Lieutenant General Valeriy Barenovskiy, chief of the Leningrad Military District's Air Defense Troops, at a session of the Leningrad Military District Military Council. The maximum use of the potential of armaments and automated command and control systems allows units and subunits to gain high assessments for their live firing and launches.

Students at the M.V. Frunze Military Academy, the Armored Troops Military Academy, and the Military Engineering and Air Academies monitored the regiment-level tactical exercise at the Gorokhovets range involving live firing by men of the Taman Division. Lieutenant General Valeriy Baranov, Moscow Military District deputy commander for combat training, who attended the exercise, noted the skillful operations of the commanders and men of the motorized rifle regiment.

Nizhniy Novgorod Arms, Conversion Fair Viewed

MM2609102794 Moscow KRASNAYA ZVEZDA in Russian 20 Sep 94 p 1

[Report by Sergey Lagodskiy: "Defense Sector Receives Permit at Nizhniy Novgorod Fair: Russian Center for Sale of Arms and Military Hardware Is Being Set Up There"]

[Excerpt] [passage omitted] Throughout its existence the Nizhniy Novgorod fair has been a matter of state concern and has mirrored, as it were, Russia's achievements in both military and other spheres of economic development. That no doubt is why Russian President Boris Yeltsin visited this industrial center on the Volga in August, shortly before the opening of the Third Russian fair and exhibition entitled "Armaments, Military Hardware, and Conversion." The upshot of the visit to the exhibition center was a special presidential directive, which reads:

"In view of the outstanding significance of the All-Russia Industrial and Artistic Fair held in the city of Nizhniy Novgorod in 1896 with the aim of demonstrating Russia's achievements in the development of industry, agriculture, culture, and the arts and crafts and strengthening links with foreign states, I resolve:

"1. An All-Russia Industrial and Artistic Exhibition with international participation shall be held in Nizhniy Novgorod in 1996.

"2. The Russian Federation Government shall form a federal organizing committee for the All-Russia Industrial and Artistic Exhibition and carry out the necessary measures to organize it."

A whole range of measures in preparation of the jubilee exhibition planned for two years hence has already been drawn up and is being put into effect. At the opening of the "Armaments, Military Hardware, and Conversion" exhibition Gennadiy Yanpolskiy, deputy chairman of the State Committee for the Defense Sectors of Industry, spoke to journalists about one of the important areas. According to him, a lot of work has already been set in train by the Russian Federation State Committee for the Defense Sectors of Industry, the Defense Ministry, the "Rosvooruzheniye" state company, and the Nizhniy Novgorod Administration to set up at the Nizhniy Novgorod Fair facility a center for the sale of armaments, military hardware, and advanced technologies available in the defense sectors of industry.

And the "Armaments, Military Hardware, and Conversion" fair has graphically demonstrated once again, in the opinion of foreign and home specialists, that such technology is available there. The products of more than 239 leading defense sector enterprises and organizations were exhibited by the traditional Russian centers of Moscow, St. Petersburg, Nizhniy Novgorod, Tula, Sergiyev Posad, Voronezh, Kovrov, Izhevskiy, Vyatskiye Polyanyy, Zlatoust, Chelyabinsk, Yekaterinburg, and Saratov. Many of them are today undergoing conversion in accordance with the dictates of the time. Some enterprises are switching successfully, others are not. And there were as many opinions regarding the conversion of military plants among participants in the fair as there were actual participants. I will cite on this score Army General Pavel Grachev, Russian Federation defense minister, who attended the fair and shared his impressions with journalists: "It causes me anguish.

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Conversion, in the way in which it has been carried out, has been ruinous not only to the military-industrial complex but to Russia too. Admittedly, we have now come to our senses and started using our brains. The only thing is that two and one-half years have been lost...."

I would like to conclude with a few words of praise for the organizers of the Nizhniy Novgorod Fair. Despite the pretty busy timetable, they managed to find time to arrange several interesting trips for foreign and Russian specialists around the oblast's largest defense enterprises, which until recently you couldn't have entered even in a coffin. This included Nizhniy Novgorod's "Sokol" aircraft construction plant, which produces the world-famous MiG's. And here, incidentally, the enterprise leaders demonstrated to us how conversion problems can be successfully tackled. "Sokol" has already launched the production of light civil aircraft capable of performing multipurpose and general-aviation roles: the Delfin, the Dingo, the Akkord, the Volga-2, and the Sever-4.

Perhaps this example by the Nizhniy Novgorod aircraft constructors will inspire other defense enterprises and help them not only to retain their scientific and technical potential but to increase the unique opportunities it offers.

Problems in Army Recruitment Eyed

MM2609090394 Moscow KRASNAYA ZVEZDA in Russian 21 Sep 94 p 1

[Article by Oleg Falichev: "The Armed Forces Cannot Be Manned on the Basis of the Leftover Principle. This Is Dangerous for the Country and Society"]

[Text] Sooner or later, I think, there will come a time when service in Russia's Armed Forces will not simply be a matter of fulfilling a duty, but truly a matter of honor. A time when only the worthy will receive the right to be inducted into the Army or the Navy and to wear a military uniform.

Alas, today the situation is such that there can be no question of rigorous selection. Both during the draft and during recruitment for military schools. In command, engineering, chemical, and aviation-technical service schools, recruitment competitions have decreased. In some places, no competitions took place at all. Young people with a good schooling prefer the sphere of business and trade, and they are prepared to do anything provided it has nothing to do with the military. Some young men have simply to be hauled in for compulsory service. Here are the figures. Last year, 50,000 draftees were on the run. Some 20,000 were fined, and 1,531 criminal cases were instigated. This year, obviously, the picture will be no better. The reasons? They are common knowledge: The fall in the prestige of military service, the decline in the sense of duty toward the state and society, the fear of discipline, the desire to avoid hardship and privation.... A natural question arises: Where is the Army going to get its manpower from?

Unfortunately, it is proving necessary to man the Armed Forces with those who for various reasons are not called for in other, better paid spheres of human activity currently deemed more prestigious. That is, whether we like it or not, the leftover principle for manning the Russian Federation Armed Forces has emerged. Here are some data from the Main Staff Main Organization and Mobilization Directorate on the results of the 1993 fall draft: The quality of young recruits joining the troops and the Navy is deteriorating year by year. Whereas in 1988 93 percent of draftees had secondary or secondary technical education, in 1993 the figure was just 76 percent. The number of draftees who have never worked and never trained is increasing: In 1988 they numbered 6 percent, while in 1993 this figure had already hit 13 percent. One in five draftees needs a deferment for health reasons.

Lieutenant General A. Litvinov, deputy chief of the Russian Federation Armed Forces Main Staff Main Organization and Mobilization Directorate, has already admitted publicly that it is becoming ever more difficult to reliably filter representatives of the so-called dregs of society out from joining the Army. But the Army cannot be open to just anyone. People in shoulderboards are entrusted with weapons, including nuclear weapons, and the security of the country. And errors in selecting people or a decline in what is required of them are fraught with accidents, incidents, and enormous catastrophes....

Even when selecting candidates for contract service, it is proving impossible to avoid blunders today. Around one quarter of those selected to serve in the troops have had to be discharged early. On the one hand, as already stated, the choice is not wide. On the other, there is an inability to study people or to rely on the views of psychologists and sociologists. Defense Ministry Order No. 202 of 4 July 1994 "On Introducing Into Effect Guidance on Professional Psychological Selection for the Russian Federation Armed Forces" makes it necessary to make work in this area more specific, more concrete, and more effective.

This order was drawn up with the participation of the Ministry of Labor and the Ministry of Education. After all, the tasks of professional psychological selection in the Armed Forces include, apart from everything else, directing citizens toward mastering military-accounting [as published; voyenno-uchetnyy] specialities, toward enlisting for training at military-educational establishments, toward contract service, the timely identification of neurotic and mentally unstable persons, and so on....

So who must do all this? The order names the following: The Armed Forces General Staff Scientific-Practical Center; the scientific-research departments, and professional selection laboratories and divisions of the Military Medical Academy and scientific research organizations of the Russian Federation Ministry of Defense; professional selection groups of the General Staff and the main staffs of the armed services, districts, and military commissariats; and the professional selection groups and

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laboratories of military educational establishments. Their tasks include evaluating the conditions in which the individual was raised and developed, his military-professional orientation, moral qualities and will, and features of interpersonal communication and behavior within the collective. All this will be revealed by psychological and psycho-physical screening (testing) and will make it possible to use scientific methods to evaluate, for instance, the cognitive mental processes (perception, attention, memory, thought), the characteristics of the nervous system (strength, mobility, lability), and mental stability. Initial information concerning the individual will be taken into account when initially placing citizens on the military register. Thus the possibility of recruiting somebody for contract military service without psychological vocational selection is excluded.

Specific tasks have been set for the Russian Federation Ministry of Defense Main Personnel Directorate, the Main Military-Medical Directorate, the Russian Federation Ministry of Defense Directorate for Educational Work, and many other structures. General leadership of measures for vocational psychological selection in the Armed Forces is entrusted to the Armed Forces General Staff, in particular its Main Organization and Mobilization Directorate. Military training institutes are tasked with training in the specialities of "psychology" and "psychophysiology" the officers who will staff the subunits dealing with vocational selection.

The Armed Forces are being reduced. So it is all the more important for the country and the people that persons who can be relied upon and who are devoted to duty, professionally trained, and physically and psychologically fit serve in them. Society, the family, and schools are called upon to prepare such people for the Army and Navy. To select only the worthy and effectively to improve their qualities in the process of combat training and education is the task of the Armed Forces. Errors in resolving this task are costly.

Federal Assembly

Committee Chairman Against Simultaneous Elections

LD2609185994 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] Making any amendments to presidential and parliamentary elections to the Russian Constitution now would lead to a complete destabilization of the political situation in the country, said Chairman of the State Duma Committee on Legislation Vladimir Isakov (the Agrarian faction). He said in an interview with Interfax that he considered it "very undesirable" to make the presidential and parliamentary elections simultaneous. He said he believed that in this case the "two branches of power will not be undertaking their real activities for a certain period of time and will be engaged only in political struggle."

Isakov said he believed that it was necessary to respect those terms for the presidential and parliamentary elections which were defined by the Constitution (in accordance with the Constitution the parliamentary elections must be held in December 1995 and the presidential elections in June 1996—IF)

Isakov stressed that in the future parliament must amend the Constitution so that elections for individuals be held two years after elections of federal party tickets.

Isakov said he believed that such a system would help to ensure continuity in the activities of the State Duma.

Defense Committee To Study Weapons Destruction

LD2609185794 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] The Russian State Duma's Defense Committee intends to hold a hearing on the implementation of the chemical weapon destruction program at its October 11 meeting. Aleksandr Piskunov, deputy chairman of the committee, told Interfax that not a single bill on chemical disarmament had been tabled in the Duma. Nor has the International Convention on the Prohibition of the Development, Production and Stockpiling and Use of Chemical Weapons and on Their Destruction, signed by Russia on January 13, 1993, been submitted for ratification.

Piskunov said that the storage life of most kinds of chemical weapons had long ended. In the absence of legislation on the destruction of chemical weapons a national disaster of a scale larger than Chernobyl is likely, he believes.

He said that preparations for destruction of chemical weapons had started in 1986 when their production had stopped. A total of 40,000 tonnes of chemical weapons have to be destroyed. Piskunov said that 18.8 percent of the total were in the town of Pochep, Bryansk Region southwest of Moscow, 17.4 percent in the settlement of Maradykovskiy, Kirov Region east of Moscow, 17.2 percent in the settlement of Leonidovka. Penza Region southeast of Moscow, 15.9 percent in the town of Kambarka, Udmurtia east of the Urals, 14.2 percent in the settlement of Kizner, also in Udmurtia, 13.6 percent in the town of Shchuchye, Kurgan Region, Southwestern Siberia and 2.9 percent in the settlement of Gorniy, Saratov Region on the Volga.

He said that the situation was most alarming in Kambarka and Gorny where blister gas was stored in large tanks whose warranty had long expired.

Committee Demands Accounting for Defense Budget

LD2609192194 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] Russia's government should present its report on the implementation of the country's budget from the

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past nine months at one of the upcoming State Duma sessions, the chairman of the State Duma's defense committee, Sergey Yushenkov (of the Russia's Choice faction), said on Monday.

The defense committee intends to demand such a report due to the fact that the financing of defense expenditure in the past nine months was insufficient. The Defense Ministry says that instead of the 27.2 trillion rubles that were to be paid by September 26, only 14.6 trillion rubles, or 53.6 percent, were paid. The total amount of defense allocations in this year's budget is 40.6 trillion rubles.

According to Yushenkov, a report on how the budget was implemented should be made by either the prime minister or the finance minister.

The committee told its deputy chairman, Aleksandr Piskunov (of the New Regional Policy group) to monitor the drafting of next year's military budget.

According to the Finance Ministry's estimates, 60.2 trillion rubles are to be allocated for defense needs, said the Defence Ministry. In the meantime the deputy leader of the Finance Ministry's department in charge of financing power ministries, Elena Presnova, told journalists that it would be premature to talk about concrete figures, since work on this part of the budget has not yet been finished.

Deputies Protest 'Pressure' on Varennikov Judges

MM2609111194 Moscow SOVETSKAYA ROSSIYA in Russian 22 Sep 94 p 1

[Letter from State Duma deputies to the chairmen of the Russian Federation Federal Assembly chambers and the chairman of the Russian Federation Supreme Court: "Protect Justices, Uphold the Law"]

[Text] The General Prosecutor's Office protested 14 September 1994 the verdict of the Russian Federation Supreme Court Military Collegium which found Hero of the Soviet Union V.I. Varennikov, who was brought to trial under the so-called "State Committee for the State of Emergency case," not guilty.

It is noteworthy that this move by the prosecutor's office leadership was preceded by an unprecedented campaign in the press and other mass media aimed at discrediting the Supreme Court ruling, which is not to the liking of the incumbent authorities.

It was not only certain journalists but also individual State Duma deputies, the leader of the Presidential Staff, and the former president of the USSR, who took part in putting this pressure on law-enforcement organs.

In demanding that the verdict in the V.I. Varennikov case be set aside, the above politicians and mass media leaders are to all intents and purposes reviving the practice of lawlessness of the thirties. What is more, this shameful practice is now compounded by direct threats to the justices. The authorities' official representatives state without any shame that the candidacies of the justices who brought the acquittal will not be submitted for ratification by the Federation Council and that the whole membership of the Supreme Court, formed "during the CPSU's dominion," should be condemned by the judicial community.

Thus the rule enshrined in the Law on the "Status of Judges" that the "judiciary is autonomous and operates independently of the legislature and the executive" has been razed to the ground. In effect, officials are following in the footsteps of criminal structures, which have made the persecution of people who uphold the law their daily practice.

The State Duma recently adopted a legislative act "On State Protection for Judges and Law-Enforcement and Control Organ Officials." On the basis of the principles enshrined in this act we categorically insist that the court which examined V.I. Varennikov's case be protected from any pressure and threats. That is what the law demands. That is what justice and respect for the man who brought to Moscow the sacred banner of victory over fascism demand.

[Signed] State Duma deputies:

R.G. Gostev; L.V. Oleynik; T.V. Pletneva; A.V. Ionov; V. Nikitin; A.I. Lukyanov; A.A. Ponomarev; A.N. Mikhaylov; K.A. Tsiku; V.A. Zorkaltsev; V.V. Chikin.

MMM President Registers as Duma Candidate

LD2309142894 Moscow ITAR-TASS World Service in Russian 1128 GMT 23 Sep 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow, 23 Sep (TASS)—By decision of a constituency electoral commission, Sergey Mavrodi, president of the MMM joint stock company, was registered today as a candidate for the post of Russian State Duma deputy for the Moscow single-seat constituency of Mytishchi (No.109). ITAR-TASS was informed of this by Commission Chairman Yuriy Zhigulin. According to Zhigulin, 27,000 signatures were collected in favor of Sergey Mavrodi; the norm is 5,000.

The MMM president may be elected as a Duma deputy in the same single-seat Mytishchi constituency from which Andrey Ayzderdzis, killed on 26 April, once entered the Federal Assembly's lower chamber.

Yuriy Zhigulin also announced that Leonid Barashkov, director of the Transservis road transport enterprise, who lives in the town of Lobnya, had already registered as a State Duma candidate in Zhigulin's constituency on 31 August. Sergey Mavrodi is the second, and so far the last, candidate for the post of deputy for the Mytishchi constituency.

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Regional Affairs

Tuva Agrees on Mutual Delegation of Power

LD2609141994 Moscow ITAR-TASS in English 1255 GMT 26 Sep 94

[By ITAR-TASS correspondent Yevgeniy Sovetskiy]

[Text] Kyzyl September 26 TASS—Tuva, a Russian autonomous region, is ready to sign a treaty with the Russian top leadership on mutual power delegation by federal and republic's executive authorities, ITAR-TASS was told on Monday by Tuva's presidential aide for internal political affairs and coordinator of the draft treaty, Bagay-Ool.

The aide said Tuva's Government had approved the drafts of that treaty and four agreements between Moscow and Kyzyl on key cooperation areas.

If the agreements were signed, the center and the region would have a clear layout of powers important in handling serious controversies between the federal and republican constitutions.

Tuvan Khural To Hold Further Elections 20 Nov

LD2409100694 Moscow ITAR-TASS World Service in Russian 0322 GMT 24 Sep 94

[By ITAR-TASS correspondent Yevgeniy Sobetskiy]

[Text] Kyzyl, 24 Sep—In Tuva, additional elections to the republic's Supreme Khural are scheduled for 20 November. A decision to this effect by the local central electoral commission is published today in the newspaper TUVINSKAYA PRAVDA.

There are now five vacancies among the 32 seats in this, the first professional parliament in the history of the south Siberian republic, but elections will only be held in four constituencies. The fifth, unsuccessful deputy represented a communist organization, and he can only be replaced after voting throughout the republic, which the local budget is in no position to afford.

The new election campaign in Tuva will be taking place in very difficult conditions. The region is entering winter with only half of its fuel reserves. Work in the fields is behind schedule owing to frequent autumn rainfall. Moreover, 20 percent of the harvest area has suffered this year from hail and flooding.

Parliament faces difficulties too. Currently in the limelight is a scandal that has blown up with the end of the parliamentary recess over published information about serious financial violations by the leaders of the former Supreme Soviet, who now head the new parliament of Tuva. The topic of a confrontation between the Supreme Khural and the government has also recently surfaced in various guises, and this is affecting the pace of legislative work. In this connection, there are proposals for amending Tuva's constitution so that early parliamentary elections can be held.

Udmurt Constitution Proposals Studied

MM2609112994 Moscow KRASNAYA ZVEZDA in Russian 22 Sep 94 p 3

[Report by Oleg Bedula: "Udmurtia Will Now Have Its Own Constitution"]

[Text] Discussion of the draft of the first Constitution in the republic's history went on for several months. The local authorities reckon that the population has taken a more active part than predicted.

The Constitutional Commission has received thousands of proposals, amendments, and observations, in connection with which it was decided to organize parliamentary hearings on the draft Basic Law, inviting to them leaders of the organs of local self-government, parties, public movements, and scientists. But what emerged during the discussions? The influential Council of the Union of Workers, Peasants, Specialists, and Employees of Udmurtia came out decisively against the establishment of the post of republic president. In the view of the union, the Supreme Soviet of Working People's Deputies and the republic Council of Ministers should be the supreme organs of power and administration.

Ye. Orlov, chairman of the Council of the Federation of Udmurt Trade Unions, stated that the trade unions should have the right to propose legislation. The trade unions also submitted the following proposal: A citizen is only obliged to pay taxes if the standard of living is constantly increasing.

All parties and movements described as important the recognition, observation, and defense of human rights and freedoms as the supreme value. It was guaranteed for the first time that rights and freedoms be recognized and guaranteed in the Udmurt Republic in accordance with the universally recognized principles and norms of international law.

The article in the draft establishing two state languages—Russian and Udmurt—was recognized to be extremely important for the development of the republic's statehood.

However, there were also extreme stances. An assembly of members of Malopurginskiy Rayon's "Mir" kolkhoz, for example, stated: "We do not need the new Constitution, it is unacceptable, and we reject this draft."

Be that as it may, the Constitutional Commission has set about generalizing and analyzing all the proposals it has received.

Travkin 'Has No Intention' of Quitting as Rayon Head

MM2609103194 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 22 Sep 94 p 2

[RIA report: "On the Eve of the 3 October Anniversary: Nikolay Travkin Chooses a Bird in the Hand"]

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[Text] Nikolay Travkin has assessed Russian President Boris Yeltsin's edict suspending his powers as acting head of Shakhovskiy Rayon Administration as a "political order." Travkin stated this at a session of his rayon's representatives, or the rayon duma. Travkin believes that Oblast Governor Anatoliy Tyazhlov did not violate a single one of the Russian Federation Constitution's articles mentioned in the edict by appointing him acting head of the rayon administration.

According to Travkin, "the question of the lawfulness of Governor A. Tyazhlov's decree is now being examined in the higher echelons of power." But, however the question is resolved, Travkin has no intention of leaving the rayon. "If there is no other way out, I will renounce my mandate as a State Duma deputy, but I will keep my post as head of the rayon administration," he declared.

Chechnya Opposition Stronghold Clashes Reported

LD2609123294 Moscow INTERFAX in English 1052 GMT 26 Sep 94

[Text] An armed clash was reported between supporters and opponents of the Dudayev regime on Sunday afternoon near the village of Bratskoye of the Chechen Nadterechnyy District, which is under the control of the opposition Provisional Council.

A spokesman for the Provisional Council told Interfax that up to 50 government troops with three armored personnel carriers and a mobile air defense installation "penetrated into the district and carried out an ambush on the road between the villages of Bratskoye and Gvardeyskoye. They fired at a passing car and wounded several passengers."

The spokesman said the fighting continued until dark and two armored personnel carriers were put out of action. On Monday morning opposition forces began eliminating the unit which had been surrounded.

The clash was confirmed in Groznyy. The Chechen Information and Press Minister Movlady Udugov, referring to sources in the Interior Ministry, said that residents of Bratskoye had taken part in the fighting. He said some were supporters and some opponents of the opposition.

Chechen Opposition Leader Said Killed

LD2609113194 Tbilisi IPRINDA in Russian 1100 GMT 26 Sep 94

[Text] Groznyy (IPRINDA)— An IPRINDA correspondent reports that there was an armed clash between President Dzokhar Dudayev's supporters and the forces of the Interim Council in the Nadterechnyy district of Chechnya on 25 September. According to the State Security Department of the Republic of Chechnya, the skirmish occurred when Avturkhanov's associates attempted to smuggle arms. The State Security Department reports that the chief of the Interim Council's counterintelligence, Yunuz Tagirov, was killed in shooting.

The Interim Council reports allege that the skirmish was provoked by Dudayev's supporters who attacked a guard post of the opposition.

Yekaterinburg Communists Protest OMON Presence

MM2609131194 Moscow PRAVDA in Russian 24 Sep 94 p 1

[Undated open letter signed by L. Samarskaya, first secretary of Yekaterinburg CPRF City Committee: "What Is Urals OMON Doing in Moscow?"]

[Text] An open party meeting of the city's branch of the CPRF [Communist Party of the Russian Federation] has sent a protest to Internal Affairs Minister V. Yerin in connection with the summoning of Sverdlovsk OMON [Special-Purpose Militia Detachment] to Moscow 20 September 1994 and has demanded this detachment's immediate return to its permanent base. The meeting also sent a telegram to A. Strakhov, head of the oblast administration, and E. Rossel, chairman of the oblast duma, on the need to take measures to return the OMON to Yekaterinburg immediately. The crime situation in the city and oblast is grave, and the OMON should be carrying out its duties in the oblast rather than participating in the political games being organized by the leadership of the Russian Federation Ministry of Internal Affairs.

[Signed] L. Samarskaya, first secretary of Yekaterinburg CPRF City Committee

Moscow Prosecutor Reprimanded, Official Dismissed

MM2609133394 Moscow IZVESTIYA in Russian 24 Sep 94 p 1

[INTERFAX report under "From Our Correspondents and News Agencies" rubric: "Severe Reprimand for Moscow Prosecutor"]

[Text] It has become known that the Russian General Prosecutor's Office has given Moscow Prosecutor Gennadiy Ponomarev a "severe reprimand" for "serious shortcomings in organizing the work of the city prosecutor's office, reduced exactingness, and poor control over the work of subordinates." Yuriy Smirnov, his first deputy, and the chief of the General Prosecutor's Office department who monitored the work of the city prosecutor's office have been dismissed from their posts. Two chiefs of prosecutor's office departments and employees of Moscow's interrayon prosecutor's offices incurred disciplinary penalties. The General Prosecutor's Office and the Ministry of Internal Affairs issued this order

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following a joint check on the work of Moscow Prosecutor's Office and internal affairs organs in combating crime.

"Serious errors in operational investigation work" were noted in the activity of Vladimir Pankratov, chief of the internal affairs main administration. This work was deemed "inadequate for ensuring the protection of the constitutional rights and freedoms of the capital's citizens."

Plight of Nizhniy Arms Industries Viewed

MM2609140094 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Sep 94 p 6

[Article by Nikolay Yefimovich under "Nizhniy Novgorod's Sufferings" rubric: "While 'Rosvooruzheniye' Dreams, Saddam Husayn's Big Buddy Recruits Our Defense Workers"]

[Text] Zhirinovskiy's "falcons" are recruiting Nizhniy Novgorod defense workers. Local newspapers report that the last time he came to the city Saddam Husayn's big buddy gave the local branch of the Liberal Democratic Party of Russia a tall order: To recruit aviation specialists to work at Iraqi military facilities.

It seems that the "falcons" are going to carry out their leader's combat mission brilliantly. The situation in the Nizhniy Novgorod defense sector is sadly well known: unemployment, wages held back for several months, uncertainty about the future. The proportion of military output at most plants has fallen to 8-12 percent. Last year alone around 10 percent of specialists left the military-industrial complex in search of a daily crust. Yet half of Nizhniy Novgorod's research institutes and design bureaus are national leaders in their fields.

What then can be said of other regions if Nizhniy Novgorod, which we know is ahead of all Russia in the reforms, is becoming poor? Here the oblast administration has even helped set up a conversion assistance fund, to which half of all taxes paid into the federal budget are being transferred. Through this fund the authorities allocate preferential loans to enterprises, but only to those which have realistic business plans. Governor Boris Nemtsov has a clear idea of what will happen if just some of the 200,000 people working in the local military-industrial complex end up on the street. Not everyone will be able to go to Iraq or elsewhere or into business. In the first half of this year the oblast's defense enterprises have already lost 20,000 jobs.

People waiting for "something to turn up" from the Moscow state "uncle" are not far away from rioting on the streets. Especially as it is just not clear at the moment whether the country has a well thought-out conversion program or a coherent military doctrine. This is what the general director of the "Lazurit" central design bureau, which produces unique submarine equipment, asked the defense minister when he was visiting a military exhibition. Pavel Grachev gave his assurance that it has both a program and a doctrine, although they have evidently not yet reached (?!) Nizhniy Novgorod since this enterprise's director knows nothing about them.

But a program is nothing without money. And the minister's pockets are empty. It is not known what will appear and when. Grachev nodded in the direction of bad government and the Duma, which have comprehensively cut the military budget. But he responded militantly—with a point-blank refusal—to Governor Nemtsov's proposal that in this case there should at least be a partial reduction in the number of generals.

As Russia's main arsenal, Nizhniy Novgorod is left with no alternative but to save itself. The only way at the moment is to sell the weapons and military equipment being produced in the oblast. So that this money can at least be used to survive on or to change the enterprises' specializations. The governor himself is the chief lobbyist in the upper echelons. Nemtsov sees nothing bad about this. You have to extricate yourself somehow if the state cannot settle its debts and has largely abolished state orders for defense products, dooming many plants to certain death.

We do have things to trade. We have MiG fighters, silent submarines, unrivaled antiaircraft systems, automatic naval guns, flying machines that are second to none in the world—the wing in ground-effect vehicles....

The current exhibition entitled "Arms. Military Equipment. Conversion," held 11-16 September in Nizhniy Novgorod, is already the third. The oblast administration could not, of course, stage such a grand event by itself. This year alone over 600 million rubles were spent on it, but the exhibition business has so far been unprofitable for us. That is why the State Committee for the Defense Sectors of Industry, the Defense Ministry, the "Rosvooruzheniye" state company, and the Nizhniy Novgorod Fair joint-stock company also became organizers of the exhibition. Two hundred and thirty nine leading enterprises and organizations of the military-industrial complex throughout Russia were represented. This time the exhibition was mainly intended for specialists. There were around 20 exhibits—the latest models of military equipment and weapons, which nobody in the world had seen before. There were the T-90, T-80U, and T-72S missile-gun [raketnopushechnyy] tanks, the "Kornet" and "Shturm-S" antitank systems, the "Kashtan" antiaircraft missile-artillery system.... Virtually everything that we know how to do and can do could be seen here: from radio-controlled toys to laser technology, export types of weapons, dual-purpose technology, communications and security systems, medical equipment, and ammunition. According to representatives of the "Rosvooruzheniye" state company's exhibition stand, every day they were visited by up to five different foreign delegations from the United States, Finland, Britain, Bulgaria, South Korea.... Invitations to the exhibition were sent to military attaches and specialists from 56 countries. Even gentlemen from

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the U.S. Comparative Analysis Institute were there. This was quite probably overt intelligence-gathering....

Russia is endeavoring to regain the past fame of its weapons and is trying to recapture lost markets in East Europe, Iraq, Libya, North Africa, and Syria. This does not make Western competitors ecstatic. They are all tenaciously holding on to their prime positions in the profitable arms trade business.

Contracts for 25 types of military equipment were concluded following last year's exhibition. The KA-50 and Mi-8 helicopters and the T-55 tank were bought from us. There was also interest in hydrofoil craft and small arms. It is still too early to say specifically what contracts are going to be concluded shortly: This does not usually occur at the exhibition itself. As far as technologies as concerned it does not happen at the exhibition at all: It can take up to two years to prepare contracts. But even if customers from the West like our weapons, they still often prefer others. In many countries Russia simply does not have a service and maintenance base like, for example, France or the United States.

But the biggest obstacle to weapons exports and military-technical cooperation is, of course, our Russian bureaucrat. Here is one example. The "Gidromash" plant in Nizhniy Novgorod concluded a contract with a German firm for the delivery of MiG spare parts. Nobody objected, even in the Moscow upper echelons, because this no longer requires special government permission. But the capital's bureaucrats suddenly demanded efficiency reports on the "Gidromash" workers. Although it is well known that they are the makers of Russian aircraft landing gear and the famous "Buran" and the winners of a European space project competition....

Of course, "Gidromash" is not afraid of any efficiency reports. But it cannot be ruled out that even after that some bureaucrat will suspect the Nizhniy Novgorod workers of doing something wrong. After all, workers at the selfsame "Rosvooruzheniye" have already been told: You do not know the world market, you will land the country in a mess.... Boeing's vice president, who recently visited Nizhniy Novgorod, told the "Gidromash" director: "Cooperating with Russians is hard, but when they start selling your plant off we will simply buy it up."

Of course, there has been some progress. A branch of "Rosvooruzheniye" has appeared in Nizhniy Novgorod—the Volga Innovation Company. And, bypassing many Moscow offices, the Nizhniy Novgorod workers have sold finished MiG's to Malaysia. But this is still an exception to the rule. The question of deliveries of spare parts for our aircraft in India has been left "up in the air" for several years now.

It seems that the personal intervention of the Russian president himself is needed every time. Incidentally, following his boat trip down the Volga it became possible to change what was plainly an absurd situation. The Defense Ministry owes the Nizhniy Novgorod defense sector over R150 billion, so it is not Yeltsin's fault that the plants have no money. But for every day that payments to the budget were overdue, fines were demanded from them. Now everything has changed. But Yeltsin is one man, and he does not go sailing down the Volga all that often....

The current exhibition has shown once again that Russia needs its own showcase for arms and military equipment. Probably no better place for this can be found than Nizhniy Novgorod, with its famous fair.

Krasnoyarsk Economic Abuses Revealed

MM2609124394 Moscow IZVESTIYA in Russian 20 Sep 94 pp 1-2

[Report by Aleksey Tarasov: "Millions on Paper Clips. Krasnoyarsk Administration Irresponsibly Squandering Taxpayers' Money"]

[Text] Krasnoyarsk—Some results of the auditing of the Krasnoyarsk Administration's economic and financial activity have been made public. Facts established by the Prosecutor's Office and confirmed by checks carried out by the Russian Federation Finance Ministry's Control and Auditing Administration for Krasnoyarsk Kray have been made public by City Prosecutor Nelli Zhukova.

The list of abuses is very long. It is quite obvious that only authorities that consider themselves under absolutely no controls and as assets in their own right could spend taxpayers' money like this. Clearly, not allowing ourselves to be made fools of is still a luxury we cannot afford. The miracles of inventiveness shown by the administration headed by Valeriy Pozdnyakov in fleecing citizens and its multifaceted activity in squandering the people's money are stories that IZVESTIYA has covered on more than one occasion. A great deal of effort is put into wasting the money—it is used to redecorate offices costing millions, to build an underground parking garage for the City Hall, for foreign trips, and for receptions and gifts. The talents of the city fathers cannot be denied—first they pay themselves wages higher than miners, then they decide to start up an in-house newspaper to publicize themselves. The idea that there are some incredibly unscrupulous administrators ensconced on the Yenisey is hardly justified—it is more of a typical occurrence than an exception.

So just why is Prosecutor Zhukova upset? Let us begin with economic and treasury expenditure—that is, on acquiring paper clips, buckets, and so forth. According to one estimate, 214.5 million rubles [R] (!) was wasted on this undoubtedly necessary business. Civil servants used this money to hold "seminars" while communing with nature. The subjects covered were interesting. Questions of social protection were discussed at a base with the intriguing name "Buzim," while research was done into additional types of taxes and imposts at the "Lesnoy" sanatorium and health spa.

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The city authorities love flowers. They spent R10 million on them. Expensive gifts accounted for even more: Admittedly, that expenditure—R11 million—was listed under the heading "Acquisition of Appliances and Equipment." One of the city fathers accepted a selection of cosmetics worth R200,000 and a crystal vase worth R100,000. The auditors did not establish who received the ivory articles acquired at an art show for R276,000. In general, clerks were constantly acquiring pictures and various artwork from local artists—millions went on this. A rifle as an anniversary gift cost R960,000, and literature cost R748,000.

The taxpayers have also been feeding numerous delegations. For instance, a 29-man delegation from St. Petersburg accounted for R6 million. Dinners in honor of the arrival of a French delegation were attended by 16 people on the first night and by 30 on the second. The presidential edict regulating these matters is not being enforced. Nor are the normative acts regulating accounting procedures, incidentally.

A year ago 40 people from City Hall had an alfresco party, inviting kray television to attend. This cost the treasury R550,000. Yet the material position of each of the attendees would have allowed them to pay their own way (in 1993 officials received double their salary for six months, one and a half times their salary for three months, and only for the other three months—like mere mortals—did they receive their ordinary salary). And anyway, who would turn down a free meal?

Millions of rubles have been paid to various restaurants for receptions for Americans and Germans and to entertain leaders of city enterprises (?). R40 million has been spent on the 1994 Christmas party.

R348.8 million was spent on buying 31 secondhand buses from Germany. The technical condition of the transportation and the sense of this purchase are giving rise to lots of questions. The administration acquired another 10 old buses for R300 million through the "Tsentr Rossii" trading house and the "Sibirskiy Variant" firm. And for six months this money was held by an intermediary. Hundreds of millions were spent on buying cars (here too there are a lot of unclear and unanswered questions) and, needless to say, on foreign trips. Whole teams of poor clerks have rushed abroad, spending 10-14 days far from home. It would also be good to know just why. There is no justification for most of these trips. One trip to London cost the budget $17,500 and [as published] R21.5 million; the "Purpose of Travel" column read "faxed invitation."

One of the most painful problems in Krasnoyarsk is the environment. R80 million has been spent by the aluminum plant on resettling the inhabitants of the Industrialnyy Settlement who are slowly being killed by the plant's waste. This money was indeed used to build homes. But it ended with the incomplete apartment block being handed over to a three-man private firm. This firm completed the block and sold off the apartments. R600 million has now been allocated from the environmental fund to build new homes for those being resettled. Who will get the apartments this time?

Other money from the environmental fund has been spent on fitting out the city administration's Environmental and Natural Resources Department. Nothing is seen or heard of this department's work, but it is meticulous in spending the fund's money. The department chief cannot exist without a laser printer and a memory adapter costing millions. It turns out that the department specializes in research into poltergeists, on which R699,000 has been spent. They have bought mobile phones. Almost another R3 million—again money from the environmental fund—was spent on hooking them up to the nextwork. Total nontargeted expenditure from the fund has come to R25 million. To this sum should be added R21 million spent on sending environmental clerks on a trip to Paris.

The "Law and Order" fund also spends money freely. The "Forpost" firm has received R19.5 million to equip its vehicles with antitheft devices. Ten of the city authorities' vehicles were the lucky recipients. The private "Bezopasnost i Nadezhnost" firm was allocated R12 million, but no contract for the work was concluded. And so forth.

I repeat that those are the facts made public by the city prosecutor. I will omit my own observations—whole novels could be written about the involved activity of Krasnoyarsk officials. Is it in their genes? Do they have a sense of their own omnipotence? One thing is clear—those concerned about the people's welfare are amazingly loyal to tradition and continue to do everything to ensure that, on the contrary, the people are concerned about them.

Aleksey Ilyushenko began his career at the Krasnoyarsk Rayon Prosecutor's Office. What if the main Russian prosecutor were to support and reproduce the experience of his colleagues in the area, who take a keen interest in the legality of state budget expenditure?

Altay Tractor Plant Resumes Production

MM2609110194 Moscow SELSKAYA ZHIZN in Russian 22 Sep 94 p 2

[Report by Ivan Semykin: "First 'Truzhenik'"]

[Text] The first tractor has rolled off the assembly line at the Altay Tractor Plant. The mighty plant with its former 15,000-strong collective had virtually not worked since 1992. Now it has come to life again. The production line stood idle for so long that it took several days to start it up. Gathering today the workers and manning the teams and shifts was the most difficult thing: The personnel department had a shortfall of hundreds and thousands of once splendid assembly workers, lathe operators, and fitters.

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According to all the estimates, the assembly line will operate continuously through the end of the year. Some 1,500 tractors are to be manufactured on a lease contract for Uzbekistan. There are also a number of other major orders. For instance, the small MT-15 tractor, which has rightly been called "Truzhenik" [Worker], has been found suitable for peasant and private farms. This vehicle can plow, sow, cultivate, mow grass, and transport freight. The new model is relatively inexpensive at 5 million.

Miners' Pickets Demand Lower Electricity Charges

MM2709102594 Moscow ROSSIYSKAYA GAZETA in Russian 27 Sep 94 p 3

[Report by Viktor Metchikov: "The Master Will Help Us"]

[Text] An uncustomary silence reigns in the pits and throughout the huge territory of the Mikhaylovskiy Mining and Enrichment Combine: Production at Kursk Magnetic Anomaly's largest enterprise has been completely shut down since Monday.

On Wednesday a large delegation of miners arrived in Kursk and picketed the oblast administration building. Their main demand is to get the federal organs of power to make a substantial reduction in tariffs for the electricity which they consume. It is because of the high electricity tariffs, the picketers claim, that the combine finds itself insolvent. The financial paralysis which has crippled the extraction and processing of the ore has placed the life of the entire mining city of Zheleznogorsk, with its population of 100,000, under threat.

Yaroslavl Grain Trade Profitable in Other Oblasts

MM2709103994 Moscow ROSSIYSKAYA GAZETA in Russian 24 Sep 94 p 2

[Report by Yuriy Vakhrin: "Some Get Money, Others Get Grain"]

[Text] Yaroslavl—Yaroslavl's farmers have been found guilty of "betraying the Motherland": They are exporting huge consignments of grain to neighboring oblasts. Peasants from Pereslavskiy Rayon were the first to discover that they could get more for their grain "abroad." For example, in Vladimir Oblast a regional grain procurement fund has been set up, and the region pays 150-170 rubles [R] for every kilogram of grain, while local Yaroslavl procurement agents give only R100.

The arithmetic is simple. Yaroslavl farms receive more money, the people of Vladimir more grain. Well, local bakers will have to travel round Russia. And they will find cheap grain hardly anywhere. Functionaries are baffled: Should they issue a banning order, or raise prices?

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International Affairs

Kuchma Meets EBRD Representatives in Kiev

LD2609172094 Kiev UNIAR in Ukrainian 1500 GMT 26 Sep 94

[Text] Kiev, 26 Sep—"Power-engineering, machine-building, transport, agriculture, and the entire banking system require restructuring in Ukraine," said Ukraine's President Leonid Kuchma, opening a meeting with representatives of the European Bank for Reconstruction and Development [EBRD]. The president immediately drew everybody's attention to the energy saving problem. Ukraine spends more energy on each unit of output than any of the developed countries, which results in the loss of traditional markets. "We are counting on your assistance," Leonid Kuchma said. The meeting continued behind closed doors.

The meeting was attended by EBRD's John Coleman, director (Canada), Claes de Neergaard , director (Sweden), Patrick Mordacq, director (France), Ziegfried Borggrefe, alternate director (Germany), Belen Cristino, alternate director (Spain), and Roget Lavelle of the European Investment Bank. The Ukrainian side is represented by Oleksandr Savchenko, EBRD director for Ukraine, Volodymyr Kuznetsov, head of the Presidential Directorate for Economic Issues, and Viktor Yushchenko, chairman of the National Bank.

EBRD To Increase Aid

LD2609203994 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] The European Bank for Reconstruction and Development (EBRD) will increase its aid to Ukraine in 1995 by four to five times, an EBRD delegation told Ukrainian President Leonid Kuchma in Kiev Monday.

"I would like to ask you to pay special attention to energy saving, one of Ukraine's acutest problems," Kuchma said. He added that Ukrainian goods could not compete on the CIS market due to the high prices of Russian fuel.

Commenting on the results of the meeting, a member of the EBRD board, Nikolay Savchenko, told Interfax-Ukraine that the EBRD planned to finance the construction of a highway between Kiev and Hungary and a number of energy-saving projects which would allow the consumption of gas to be cut in the republic by 15-20%.

According to Savchenko, support will be given to "first-class enterprises facing temporary difficulties and requiring aid."

Among other things, the EBRD said it could grant credits to develop Ukraine's agricultural machine-building and military conversion.

In 1994, the EBRD has implemented three projects worth $70 million in total, including the reconstruction of an airport in Borispol and the support of privatization.

Memorandum To IMF Promises Economic Reforms

LD2609202294 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] A memorandum and a letter of intent to the International Monetary Fund have been finalized, Viktor Yushchenko, chairman of the National Bank of Ukraine's board said in Kiev Monday.

According to Yushchenko, the IMF chief Michel Camdessus will make a political statement following receipt of the documents.

Yushchenko told journalists that after this Ukrainian and IMF experts will discuss the specific deadlines and probably make inessential changes in the project.

He described the program submitted by Ukraine as 50 percent a classical package for any country which had decided to make a transition to market economy.

The remaining 50 percent, he said, reflect Ukraine's specific features. He emphasized that the country had no alternative to the program.

Interfax-Ukraine learned that the final text of the memorandum commits Ukraine to liberalization of the economy, stabilization of its macroeconomic variables, protection of the needy and acceleration of the structural changes.

In particular, the influence of the government on the pricing of goods will be reduced.

Once the program is introduced, the industrial and agricultural consumers will have to pay the full price for fuels. The state subsidies to the locally produced coal and energy will be drastically cut.

The rent and bills for communal services will be increased from the present five percent to 30 percent of the costs.

An interbank auctioning of foreign currencies will be resumed and the rates of exchange will be aligned with the interbank market value.

Nearly all export quotas and licenses, including grain and coal, will be lifted next January. Exceptions will be made only for the goods whose export is restricted under international agreements.

The ministries and state committees engaged in economy management will be phased out.

The government believes that wages cannot be liberalized before inflation is reduced and factories pay their debts.

Foreign Minister Udovenko Interviewed

MM2709093994 Moscow ROSSIYSKAYA GAZETA in Russian 24 Sep 94 p 6

[Interview with Foreign Minister Hennadiy Udovenko by Valentina Pisanskaya; date, place not given: "The

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West Viewed Us As a Quasi-State. Interview with Ukrainian Foreign Minister Hennadiy Udovenko"]

[Text] It is probably easy to say that of late the center of Ukraine's state interests has shifted dramatically from West to East. Russia, the countries of the CIS, the Near and Far East, and Central Asia have found themselves the center of attention.

What does this change of priorities in foreign policy mean? Is it just a shift of emphasis or something more? The Ukrainian foreign minister answered your correspondent's questions.

[Pisanskaya] Hennadiy Iosifovich, I would like to go back to the first year of our independence, say, when society was in a state of some euphoria: We had escaped from a totalitarian regime and for that fact alone the world was supposed to fall in love with us and the West was to help us. Therefore it was not only those who frequented rallies who directed their gaze westwards. That was the stance espoused by the state, which chose this priority in its foreign policy. However, we very soon saw for the umpteenth time that we had once again taken the "wrong" road. Could you tell us please whether this was a strategic mistake or a necessity because of the period?

[Udovenko] I would first like to make an objection: We did not direct our attention to the West alone. And we cannot be said to have failed to understand the importance of relations with Russia. But nor should one fail to take into consideration the time when the totalitarian system collapsed. There was indeed some euphoria. And the pity is that the policymakers' main error of judgment was that the endeavors to mechanically "transplant" developed countries' experience to their situation proved illusory.

We did indeed invite the best academics from Harvard to act as consultants. But they were unable to combine the West's brilliant achievements with our conditions or our way of life. But bear in mind that Western experts predicted a glorious future for us. I well remember their conclusions: Ukraine is the world's sixth country, with the best conditions for transformations. Who would have resisted that?

But it did not work. We wasted time and at the same time squandered the good things that had been gained within the Union. Nonetheless I am not about to criticize my predecessors, they were after all working under different conditions.

[Pisanskaya] Another illusion was that we thought that the world had gotten to know Ukraine in this time.

[Udovenko] That does not happen so fast. As a young state we were looking for a route onto the international arena but it was restricted. We had contacts mainly via international organizations. We were full-fledged members of the United Nations like the United States but we were viewed as a quasi-state. And when I said that we were as independent as Lesotho, say, I was asked: "What is Lesotho?"

After declaring sovereignty we started seeking the priorities on which to focus our attention in foreign policy. We can discuss now whether we made the right choice or not.

[Pisanskaya] You are right, but the problem remains: In order to develop relations with the world the state must define its priorities—what are your current foreign policy priorities?

[Udovenko] Foreign policy should be simple. We must be guided by our state's national interests and only then by those of other countries.

The top priority and most important questions include normalizing our relations with Russia and improving and developing ties with the CIS countries, because the situation in which we all, not only Ukraine, find ourselves is an abnormal one. There is no point in blaming some individual for severing the ties since we have all had a hand in it. Therefore we must set the situation to rights together.

[Pisanskaya] Is Russia given priority in relations?

[Udovenko] Not solely, but primarily. This process must be bilateral and equitable. The way that events are developing shows that both sides are aware of this. I am happy that the talks to prepare and sign a treaty on friendship, mutual assistance, and partnership between Ukraine and Russia are making successful headway and the specialists tackling the problem of the Black Sea Fleet are working normally.

Another avenue of foreign policy is that of improving ties with the CIS countries, particularly trade and economic ties. Is it in actual fact normal for people to cart sackloads of money from country to country in order to make payment? Once again the old ties must not be mechanically restored. In Lugansk for instance there is a diesel locomotive construction plant which had suppliers in 800 cities in the former Union. Needless to say it is unprofitable to import screws for it from the Far East.

One must take a sensible approach to these problems, but seek markets primarily in the CIS countries since Western markets have already been allocated long ago and it is hard to enter them even with the best technologies. That is why Western countries are also heading for the CIS markets. We must remember that, if we lose our niches on this market, it will immediately be occupied by others. Then what option would we have?

[Pisanskaya] So, Russia and the CIS countries.... Who is next?

[Udovenko] I would not list these priorities in numerical order, after all none of them precludes the others. For instance, our immediate neighbor states, namely Poland,

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Hungary, Bulgaria, and the Baltic countries—I attach tremendous importance to relations with them.

We have not yet adequately assessed the phenomenon of the Far East countries—Malaysia, Thailand, and Singapore—which are developing at a fast pace. We do not have a concept for developing [relations] with countries like Egypt or the United Arab Emirates. It would be splendid were trade and economic ties to be established.

[Pisanskaya] What are Ukraine's prospects for joining the Economic Union, it has after all hitherto only been an associate member?

[Udovenko] This question must be studied. Particularly to see whether this membership limits our state's sovereignty. For the time being a good form of cooperation—the Interstate Economic Committee—has in my view been found.

[Pisanskaya] You are effecting a dramatic and determined shift in foreign policy....

[Udovenko] I would not say that. Proceeding from our state's national interests and with a consideration for the complex economic situation, the Ukrainian president, the Supreme Council, the government, and, needless to say, the Foreign Ministry have taken a more pragmatic approach (and rightly so) to our foreign relations.

[Pisanskaya] You have not said anything about relations with the United States.

[Udovenko] That is a matter for separate debate. Our relations with the United States are a particularly important area. But, to be brief, the United States should guarantee our nuclear security. Having declared ourselves to be a nuclear-free state we have not received any guarantees of our security. We are not abandoning this course, but what about concrete moves from the United States?

U.S. Consultative Committee Releases Communique

LD2709102394 Kiev UNIAR in Ukrainian 2115 GMT 26 Sep 94

[Text] Kiev, 26 Sep—The U.S.-Ukrainian Consultative Committee, which was formed on the initiative of the Center of Strategic and International Research in Washington, assessed the current state of U.S.-Ukrainian relations at its second plenary session. The Committee recommended the deepening of bilateral relations and the strengthening of Ukrainian statehood.

The Committee met with the president, the prime minister, and the chairman of Ukraine's Supreme Council.

A communique was adopted after the U.S.-Ukrainian Consultative Committee completed its work. In particular the communique stressed that a strong, stable, and safe Ukraine is in the interests of peace and stability in Europe and is a deciding factor in post-communist transformations.

The Committee welcomed the recent indications of an improvement in Ukrainian-Russian relations. With the aim of continuing these important changes the Consultative Committee:

1. Regards the territorial integrity of Ukraine within its existing borders as an important element of peace and stability in Europe and confirms its disagreement with any actions which would lead to a new division of Europe into spheres of influence;

2. Notes that in any discussions about expanding European and North Atlantic economic institutions and institutions of peace, Ukraine's interests as an inviolable part of Central and Eastern Europe should be taken into account in an appropriate manner and an increase in Ukraine's participation in the work of these institutions should receive support;

3. Approves the expansion of U.S.-Ukrainian cooperation in the Partnership for Peace program;

4. Supports the expansion of U.S. political help in the area of Ukraine's cooperation with other Central and East European countries;

5. Welcomes Ukraine's successes in the area of dismantling nuclear weapons and the intention of acceding to the Nuclear Nonproliferation Treaty. It urgently recommends that the other parties to the trilateral agreement fulfill their obligations, in particular, the provisions concerning national security guarantees;

6. Welcomes the recent initiative by the G-7 countries which obliged the world's industrially developed countries to help implement the program of reforms in Ukraine. It welcomes President Kuchma's bold decision to take on himself the responsibility for implementing economic policy;

7. Supports Ukraine's requests to transfer $200 million of unused technical assistance to financial assistance. It calls on the Ukrainian Government to implement an appropriate privatization program;

8. Urgently requests that Ukraine remove as soon as possible all tax, monetary, and regulatory obstacles that stand in the way of a speedy development of Ukraine's economy;

The Consultative Committee supports a proposal to convene a conference of donor states including Russia.

Possible Developments, Problems at CIS Summit

WS2309142694 Lvov POST-POSTUP in Ukrainian 15-21 Sep 94 p A2

[Unattributed report: "The CIS Economic Union Is Undergoing an Incubation Period; The Infection Will Explode in a Month"]

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[Text] **Russian Prime Minister Viktor Chernomyrdin called on his CIS counterparts on 9 September in Moscow's "President-Hotel" to establish the second European Union. Azerbaijan and Turkmenistan have not agreed to his proposal. The remaining CIS member states decided to begin establishing an International Economic Committee [MEK]. Ukraine will hold 14 percent of its shares. This is practically sufficient to block unfavorable decisions, however, insufficient to push through our proposals.**

The establishment of the new body will likely proceed under the old Soviet slogan: "A five-year plan should be fulfilled overnight." Well, according to the Russian prime minister, we do not have the 15 years which Europe had, and therefore our pace must be greater. At first the functions of the new economic body will be fulfilled by CIS coordinating bodies. An entirely independent supranational body will appear some time later. In Vice Prime Minister Shokhin words, MEK headquarters would be located in Moscow, so "a high-ranking Russian official should head it." By the way, 50 percent of the votes in MEK will be held by Russia.

According to experts' estimates, MEK will fulfill certain supranational functions, in addition to its complete control over the power engineering, communication, and exploitation of oil and gas pipelines. It is no surprise that certain other states, taking second place—after Russia—in exporting energy resources, have not become members of the MEK committee. Niyazov, who is a Turkmen by birth, or Aliyev, an Azerbaijani national, could be devoted partycrats, however, they calculate well. A brief analysis shows that MEK membership will imply the loss of control over their domestic resources. "Elder brother's" 50 percent vote virtually implies a controlling interest.

A meeting of CIS leaders, scheduled for early October, will have to adopt the resolution on the MEK establishment. The Ukrainian delegation proposed to hold this meeting in Kiev, so it could be held simultaneously with Boris Yeltsin's visit to Ukraine. It may be likely that Leonid Kuchma needs this situation to form a joint Russian-Ukrainian position on the issue. Or, he could rely on fraternal CIS assistance in pressing Moscow to hurry up with the conclusion of the Russian-Ukrainian agreement, which is being drafted at a slow pace. Anyway, we will not predict the future. As of today, neither the place of the CIS summit nor the date of Yeltsin's visit to Kiev have been fixed. Russian Foreign Minister Andrey Kozyrev could only promise that these developments will take place in the fall.

The degree of our integration with MEK will depend on Russian-Ukrainian negotiations. The more independence Boris Yeltsin delegates to Leonid Kuchma, the easier it will be to urge Kiev to promote Chernomyrdin's new initiatives within the CIS.

Ukrainian Government officials are currently rather skeptical about the customs and border union, and do not at all agree to the payment union [as published]. In the opinion of Deputy Prime Minister Ihor Mityukov, the CIS payment agreement will be inefficient due to imperfections in the CIS banking system, the instability of their national currencies, and the lack of the mechanism for mutual quoting. Ukrainian Prime Minister Vitaliy Masol stated at the meeting with Moscow journalists that his cabinet is ready to lift customs export and import duties within the CIS, but the other CIS states should do the same. Deputy Defense Minister Ivan Bizhan, in his interview to the "Haryacha Liniya" press center, stated that his department is against the common military strategic area and joint CIS border protection. "Ukrainian borders have already been specified and there is no need to raise the issues regarding common CIS borders," he said.

According to the cited phrases, the CIS summit will likely end up in a draw, and the Ukrainian delegation will be left somewhere in between, neither ahead nor behind. Heated debates will likely change some clauses of the Moscow memorandum, as proposed by Russian experts on 9 August, but they will not alter the spirit of this document which legitimates Russia's privileged status, because none of the previous meetings could accomplish this.

Nationalists Denounce CIS Economic Committee

LD2609222494 Kiev UNIAR in Ukrainian 1500 GMT 26 Sep 94

[Text] Kiev, 26 Sep—The Organization of Ukrainian Nationalists [OUN] has issued a statement in connection with the establishment of an interstate economic committee within the CIS economic union. The document says:

"1. The Interstate Economic Committee [IEC] of the Economic Union was set up at the initiative of Russian Prime Minister Viktor Chernomyrdin to become an independent supranational institution. The IEC will be headed by a 'high-ranking Russian official,' and Russia will control 50 percent of votes.

"Only Azerbaijan and Turkmenistan, the biggest oil exporters next to Russia, refrained from membership in the committee in defense of national interests.

"2. The IEC will take over responsibility for partial management of CIS economies, particularly in the sectors of power, transport, and the use of gas and oil pipelines. Thus, Moscow will assume direct control of strategic sectors in the economies of CIS countries, including Ukraine. This will signal the start of the restoration of the former USSR's "single economic complex," with a colonial management structure in the key sectors, subjecting important national interests of Ukraine and other IEC members to the interests of the Russian superpower.

"3. Ukraine's membership in the IEC runs counter to the letter and spirit of the declaration on Ukraine's economic independence adopted by the Supreme Council of

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Ukraine and the parliament's resolution ruling out Ukraine's membership in the supranational institutions of the CIS. This will mean a surrender to Russia's chauvinist circles and their Fifth Column in Ukraine who are demanding the restoration of the 'single and indivisible' Russian empire where the people of Ukraine will continue to be big brother's slaves, doomed to Russification and the loss of their national identity.

"4. The resolution establishing the IEC is to be approved at a CIS summit in early October. The OUN leadership appeals to the president of Ukraine, the Cabinet of Ministers, and the Supreme Council of Ukraine against giving the go-ahead to this neocolonial body and Ukraine's involvement in it.

"5. Only an independent and sovereign Ukrainian state will ensure the survival of the Ukrainian nation, its rights and the rights of all ethnic minorities, social justice, and the Ukrainian people's spiritual and material well-being."

The statement was issued by the leadership of the Organization of Ukrainian Nationalists.

National Affairs

Continuing Reportage on Crimean Political Situation

Parliament Demands Government's Resignation

LD2609203294 Kiev UNIAN in Ukrainian 1930 GMT 26 Sep 94

[Text] Simferopol [no dateline as received] The Presidium of the Supreme Council of Crimea met behind closed doors today to discuss the outcome of negotiations with the republic's president, Yuriy Meshkov. After a few minutes of discussion it was decided to make the meeting open. Mykhaylo Bakharev, the head of the parliament's delegation at the negotiations, told deputies that the president of Crimea did not wish to continue the talks. "It is hard to imagine the future of these talks," Bakharev said. "They were merely a gimmick to convince Ukrainian authorities that the president cared about Crimea, and the parliament did not."

Speaking at the meeting, Supreme Council Chairman Serhiy Tsekov said: "The president of Crimea had better resign. It is not the legislative or the executive power branch that is at stake, but the entire Crimean statehood."

The presidium decided to carry on negotiating with Yuriy Meshkov on the strength of the republic's Constitution and current legislation, provided the president cancelled his edicts that violated Crimean law, renounced the zero option, and accepted the government's resignation.

Commenting on the decision, Serhiy Tsekov said: "One of the biggest mistakes Crimea's Republican Party made was to nominate Yuriy Meshkov for president. The threat of destruction facing the autonomy's statehood comes from the presidency and Yuriy Meshkov himself."

Speaker on Parliament's 'Rash' Decision

LD2609202894 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] The Ukrainian Supreme Soviet made a rash decision on the Crimean conflict, Crimean Parliamentary Speaker Sergey Tsekov believes.

"To some extent, this decision sounds like an ultimatum. It would be desirable if deputies of the Ukrainian Supreme Soviet made a more correct decision after probing into the situation," he told journalists in Simferopol Monday.

According to Tsekov, the commission which visited Crimea to look into the reasons of the conflict had made "incorrect conclusions."

On September 22, the Ukrainian Supreme Soviet passed a resolution on the situation in Crimea instructing the Crimean parliament to bring the Crimean legislation in line with that of Ukraine before November 1 1994.

The Crimean Supreme Soviet is now thinking over how to react to the Ukrainian parliamentary resolution," Tsekov said.

According to the Crimean speaker, options for the reaction may be "quite different as the complicated internal situation in Crimea must be taken into account."

"We have found ourselves between the hammer and the anvil. If someone thinks the Supreme Soviet can be disbanded and the autonomy abolished and the problem will be settled, he is deeply mistaken as the same people will live in Crimea," Tsekov stressed.

If autonomy is abolished, this will be fraught with conflict as "a considerable part of the population is ready to stand by their statehood until the end."

Tsekov emphasized that there must not be bloodshed. "It is necessary to make decisions in a more civilized way—by negotiation," he said.

Republican Party Seeks Expulsion of Meshkov

AU2409182394 Kiev HOLOS UKRAYINY in Ukrainian 22 Sep 94 p 4

[Unattributed report: "President Yu. Meshkov May Be Expelled From the Party"]

[Text] The "Republican Movement of the Crimea" Party published a statement. It stresses that, between 10 and 13 September 1994, Crimeans became witness to disturbing events that placed the Crimean Republic on the verge of ruin, beyond which there is "a real threat to the Crimean statehood." The statement stresses that

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"the actions of Crimean President Yu. Meshkov who, in violation of the Constitution of the Crimean Republic, made an attempt to eliminate the system of representative bodies of local power and of the Crimean Supreme Council, are at variance with the "Crimean Republican Movement" program. Consequently, Yu. Meshkov must be expelled from the party at the nearest congress.

Officers Union Proposes Radical Measures

AU2609121894 Kiev MOLOD UKRAYINY in Ukrainian 23 Sep 94 p 1

[Unattributed report: "The Crimean Problem. Ukraine's Officers Union Proposes Its Resolution"]

[Text] As stated in a telephone conversation by Volodymyr Saladyak, retired colonel and deputy chairman of Ukraine's Officers Union [SOU], the union has adopted a statement on the Crimean problem. In particular, patriotic officers propose that visa control be immediately introduced for entering Ukraine. It must concern, in particular, pro-Russian extremists, who are making trouble in the Crimea. Moreover, the SOU proposes that the Crimea's status as a republic be canceled, that it be transformed into a Ukrainian oblast, that presidential rule be introduced there after the Crimean Supreme Council is disbanded and the Crimean institution of presidency vanquished. In the opinion of SOU, this is a realistic and constructive way of resolving the problem, because further support for Crimean separatists and especially the so-called Crimean Supreme Council will not produce any good results. At the same time, SOU believes that it is necessary to immediately withdraw from Ukraine all Russian subunits of the Black Sea Fleet that are the stronghold for separatists and a destabilizing factor on the Crimean Peninsula.

Communist Party Presents Economic Program

944K2380C Simferopol KRYMSKAYA PRAVDA in Russian 22 Sep 94 p 1

[L. Pashkovskaya report: "Communist Party of Crimea Calls for Constructive Dialogue"]

[Text] **The communists have presented a draft law of the Republic of Crimea on urgent measures for a solution of the economic crisis. It was this that was last Tuesday the subject of a discussion between L.I. Grach, first secretary of the republic committee of the Communist Party of Crimea and deputy of the Supreme Council of Crimea, and journalists.**

The program proposed by the Communist Party of Crimea is geared to an upturn of industrial and agricultural production, the protection of native commodity producers, and the development of economic union with the CIS countries with the subsequent involvement of Ukraine and Crimea in the ruble zone. It puts particular emphasis on a normalization of the living standard of the people's masses and the restoration of social guarantees to housing, free education, free medical assistance, and so forth. The communists are opposed to an uncontrolled privatization process and support the protection of public property, price control, and restoration of the rights of ownership of the work force.

But, as L. Grach observed, being in the legal and economic field of Ukraine and under the strong influence of Russia, tackling such tasks independently is highly problematical. The corresponding decisions of the legislature and the executive of Ukraine are needed. As are substantial financial infusions.

The crisis of power, which is today being experienced by all, could not have failed to have been broached at the conference also. Condemnation of the actions of Yu. Meshkov, but also rejection of the proposal of individual factions of the Supreme Council concerning the creation of a government of popular trust, a coalition—this is the position of the communists. At the same time, on the other hand, the Communist Party of Crimea calls for the constructive dialogue of both the president and the Supreme Council, believing that under the present conditions this is the most acceptable option. According to L. Grach, there are fears that, in the event of a conflict between the branches of power, totally innocent people would suffer in the political showdowns, which simply cannot be permitted.

Chernobyl's Third Generating Set Reconnected

LD2609163094 Kiev UNIAN in Ukrainian 1345 GMT 26 Sep 94

[Text] Chernobyl—On 26 September following a planned major overhaul, the third generating set of the Chernobyl AES [nuclear electric power station] was brought up to full capacity. As UNIAN reported, the maintenance of the generating set began in July this year. Following comprehensive vital repair and preventive measures, start-up and adjustment work was carried out in the last few days, after which the generating set was reconnected to Ukraine's energy system. At present the third generating set has been taken up to a capacity of 1,000 megawatts. There are no deviations from the terms and limits of safe operation.

Updated Report on Number of Cholera Cases

LD2609171194 Kiev UNIAN in Ukrainian 1510 GMT 26 Sep 94

[Text] Kiev [no dateline as received]—Some 406 cases of cholera have been registered in Ukraine to date, the Ministry of Health told UNIAN today. Of these, 251 were found in Nikolayev Oblast, 111 in Crimea, 15 in Kherson, 13 in Dnepropetrovsk, 10 in Zaporozhye, two in Kirovograd, two in Lvov, one in Chernovtsy, and one in Zhitomir Oblasts. Ten people have died. Some 4,424 who have been in contact with the patients are undergoing examination. Ella Semenyuk of the Health Ministry's Main Epidemiological Directorate denied rumors that cholera had spread to Kiev and Kiev Oblast.

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Vice President of TV, Radio Company Appointed

AU2609133994 Kiev HOLOS UKRAYINY in Ukrainian 23 Sep 94 p 2

["Presidential Directive on First Vice President of Ukraine's State Television and Radio Broadcasting Company" signed by President L. Kuchma in Kiev on 20 Sep]

[Text] 1. To appoint LYESHYK, Viktor Kostyantynovych as first vice president of Ukraine's State Television and Radio Broadcasting Company.

2. This directive becomes effective on the day of its signing.

[Signed] Ukrainian President L. Kuchma

[Dated] Kiev, 20 September 1994

Reasons, Results of Migration to West Viewed

WS2609105494 Lvov POST-POSTUP in Ukrainian 15-21 Sep 94 p A4

[Report by Oleh Dudkin: "Once Ukraine Served as Transshipment Point for a Caravan Route From North to South But Currently It Is a Source of Migration to Europe"]

[Text] **Migration to the West has become a serious problem not only for the states where people are going but also for those states that are losing labor resources. If the brain drain accounts for dozens or hundreds of people, the labor force drain stands at thousands of people. Sometimes, certain people are running away from national legal responsibility.**

Due to its geographical location, Poland has become a transshipment point for modern migration streams from the former USSR states, Romania, and Bulgaria to the member states of the European Union. The German-Polish border was violated 873 times in 1989, while in 1991—7,014 times, and in 1992—32,251 times. It is, however, assumed that the actual figures of border violations are a couple of decimal places higher. Border officers cannot detain all those who are eager to taste the Western way of life.

Last year, Germany introduced amendments to its law that allows the return of unlucky border violators to the opposite bank of the Oder. The Poles are not joyful though they were promised 100 million German marks for the accommodation of people who are being repatriated. Warsaw believes that illegal migrants harm their good neighbor relations with Germany and step up the crime rate in Poland.

According to statistics, some 8 million people crossed the eastern borders of Poland in 1992 to find work there. This process has excluded between $1 billion to $1.2 billion from the Polish trade turnover. In 1992, however, migration was only beginning to take place in the former USSR states. Russian Labor Minister Smirnov said at the European Council conference in 1991 in Vienna that from 5 to 10 million people were expected to move from the CIS to the Western states annually. According to the Ministry of Nationality and Immigration, some 245,600 Ukrainian citizens were granted the right for permanent residence abroad in 1987-92. (We do not take into account the remaining CIS states). According to experts' estimates, some 200,000 Ukrainian citizens are temporarily working in Poland and some 20,000 people—in the Czech Republic and Slovakia. Some 12,000 people tried to illegally cross the border but were captured by border guards. I would like to emphasize that in 1991 there were only 45 such attempts.

Migration can be interpreted in two ways. On the one hand, due to society's aging, the states experience a lack in the labor force. Can this explain why Germany has the most liberal law on refugees? Some 800,000 foreign workers (or political emigrants) come to Germany each year, while Great Britain welcomes not more than 30,000. On the other hand, Western states are scared of the so- called ethnic fusion that could lead to a loss of the national identity of the host nation.

Nationalists Urge Construction of Oil Terminal

LD2509134594 Kiev UNIAN in Ukrainian 1440 GMT 22 Sep 94

[Text] Kiev—At a press conference on 21 September representatives of the "Statehood" parliamentary group Ihor Yukhnovskyy, Volodymyr Yavorivskyy, and Taras Kyyak called the discussion and results of voting on the parliament resolution "On construction of the oil shipping complex (terminal) in Odessa oblast" a political issue. As UNIAN has already reported, Ukraine's Supreme Council rejected the resolution, in accordance with which the plot of land in Kominternovskiy rayon of Odessa oblast would be transferred to Ukraine's state committee for oil and gas for construction of the terminal, by a majority of votes.

"To delay construction benefits Russia. I believe that the reasons for this were prompted by it. The construction of the terminal is strategically important for Ukraine for several reasons: According to the conclusions of specialists, the main oil suppliers of the 21st century will be Kazakhstan, Turkmenistan, and Azerbaijan, and with the terminal Ukraine would have access to all of the oil centers,"—Ihor Yukhnovskyy believes. He reported that 780 million dollars were needed for the first lot of work on constructing the terminal and that credits for this construction had already been promised." Similarly Turkey and Austria are ready to invest in an oil pipeline from Turkey, about which the State Committee for Oil and Gas has corresponding letters of confirmation.

According to the calculations of Taras Kyyak, most of those expressing themselves against the construction of the terminal were communists, in second place were members of the "Unity" group, and then came agrarians

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and socialists. The deputies drew the attention of journalists to the fact that according to the results of the individual voting, Oleksandr Moroz voted for the resolution, although he had not been present in the hall. Vasyl Stepenko voted against, although he had not been present either.

Volodymyr Yavorivskyy is certain that examination of this issue confirmed once again that "there is a lot of politics in oil" and if construction is delayed, Ukraine will become ever more dependent on Russia—at the moment the largest supplier of oil to Ukraine.

The Rukh group disseminated a statement pointing out that the results of the voting were a consequence of "tunnel political thinking and were aimed at strengthening political pressure and blackmail on the part of Russia." "The aim of most of the leftist forces is to attempt to make impossible demonopolization of the supply of energy-carriers and to create a situation where Ukraine will be consuming no more than 20-30 percent of oil products from one source,"—the statement says.

Rukh Opposes Kravchuk's Participation in Elections

LD2609190694 Kiev UNIAR in Ukrainian 1500 GMT 26 Sep 94

[Text] Kiev, 26 Sep—The People's Movement of Ukraine [Rukh] considers Leonid Kravchuk's participation in the Supreme Council elections detrimental to his political image, said Viktor Tsymbalyuk, head of Rukh's campaign department. He told UNIAR: "There is no precedent in world politics for a former president to vie for a place in the political structure of his state."

Oblast Head on Economy, Treaty With Russia

WS2609155694 Lvov VYSOKYY ZAMOK in Ukrainian 17 Sep 94 p 1

[Report on a press conference by Mykola Horyn, chairman of the Lvov Oblast Council, and Lyubomyr Kraynyk, deputy chairman of the Lvov Oblast Executive Committee by unidentified reporters; in Lvov, date not given: "Diagnosis for Mykola Horyn: Fit But Oblast Affairs Make His Soul Sore"]

[Text] Rumor has spread throughout Lvov Oblast—some newspapers even made it out to be a fact—about the resignation of Mykola Horyn. It was instigated by the alleged noticeable failing health of the oblast council chairman. Beginning his conversation with journalists, Mr. Horyn said that he is well and that he can provide all necessary medical records to those who are in doubt. He was on vacation for 10 days and returned to work, as he had no time for a longer vacation.

You, dear readers, are obviously interested in what is happening with Stepan Davymuka, the former presidential representative in Lvov Oblast.

According to Mykola Horyn, Stepan Davymuka was appointed head of the Lvov Regional State Property Fund.

Also determined is the fate of Frankivsk Rayon Council Chairman Vasyl Dzera—the chief rival of Mykola Horyn in the race for head of the oblast council. At the Ministry Collegium, he was confirmed as general director of the Lvov Production Amalgamation "Lvivkhimsilhospmash." Reporters were talking to the lobbies about the personal position of Mykola Horyn that resulted in a positive resolution of this issue. It was also said that Mr. Horyn asked the news city fathers to find jobs for those who occupied government positions before the election.

Speaking about the economic situation, the head oblast chairman emphasized that country-side agriculturalists have successfully fulfilled state grain contracts, but the question of bread prices raises serious concerns. The government assured that they will not grow. No one knows, however, how to achieve this in practice. Lvov Oblast has found itself in a special situation: we buy most of the grain from other oblasts. At present, one tonne of grain costs 4- 4.5 million karbovanets [K]. If you add to this the cost of milling, one kilogram of bread would cost K10-12,000. Keeping prices in check can destabilize the financial situation of the oblast and entire Ukraine even more.

The reporters asked Mykola Horyn quite a few questions.

[Reporter] How can you explain the rumors about your resignation?

[Horyn] People in an oblast and town are always in the limelight. Too, there is a group of people that want very much to spread confusion and anxiety.

[Reporter] How do see the president's team from the perspective of your position?

[Horyn] It is difficult for me to talk about this because a presidential team has not yet been formed. My impression is that the president's actions are directed at getting all the executive power under his control.

My assessment may change after the meeting of Ukrainian and Russian state leaders. This is going to be the most meaningful meeting in the entire period of our independence, even more important than the 1 December referendum.

[Reporter] A regional congress of the Russian community is scheduled to take place in Lvov soon. Will you participate?

[Horyn] I was informed about that event. And I would like some oblast council employees to participate in the congress that could create a certain atmosphere before Ukraine and Russia sign the treaty.

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Belarus

Party Hits Haiti 'Invasion,' NATO Partnership

WS2609141494 Minsk BELAPAN in English 1200 GMT 26 Sep 94

[Text] The co-chairmen of the Republican Council of the Movement for Democracy, Social Progress and Justice [DSPJ] have made a statement in which they condemn the invasion of the U.S. military to Haiti. The DSPJ members, the statement reads, are vigorously opposed to the U.S. aggression against the people of Haiti. They demand that the president and the Supreme Soviet of Belarus should act in the same way. According to the authors of the statement, the situation in Haiti binds to acknowledge that Belarus should not besmirch itself by joining in the hypocritical programme Partnership for Peace, because this will fasten it to the aggressive NATO bloc and will make it an accomplice of the international robbery.

Belarus-Polish Military Exercises Held

LD2609132494 Minsk Radio Minsk Network in Belarusian 1000 GMT 26 Sep 94

[Excerpt] Last Friday saw the completion of joint Belarus-Polish exercises near Grodno. According to the results of physical training and shooting practice, the Belarusian soldiers were the winners. However, according to overall results, as they say, friendship was the winner. [passage omitted]

Envoy Views Border Dispute With Lithuania

WS2609141694 Minsk ZVYAZDA in Belarusian 22 Sep 94 p 1

[Interview with Belarusian Ambassador to Lithuania Yawhen Vaytovich by Yuras Karmanaw; place and date not given: "Lithuania's Note of Protest Will Not Affect Belarusian-Lithuanian Relations"]

[Text] *On 19 September, Lithuanian authorities delivered to the Belarusian Embassy in Lithuania a note of protest concerning violations of Lithuania's airspace by Belarusian aircraft. It is interesting that the note was issued after a meeting of expert commissions for demarcation and delineation of the Belarusian-Lithuanian state borders. "On the occasion" of this incident, Yawhen Vaytovich, extraordinary and plenipotentiary ambassador of Belarus to Lithuania, explains the situation.*

[Karmanaw] Does the note signal a new wave of disagreements in Belarusian-Lithuanian relations?

[Vaytovich] No. The Lithuanian side, while submitting the note, stated this. Nor is this fact connected with negotiations between the expert commissions. All the more so, since Belarus had previously received similar notes. As a matter of fact, our servicemen are violating their airspace, because the Pastavy airfield is located only 130 kilometers from the Lithuanian border. There were 31 such flights on that day. The lack of discipline of our troops cannot be turned into a political scandal.

[Karmanaw] S. Ahurtsow has reported that, during talks in Vilnius, the sides were not able to find a common language with regard to a treaty on delineation and demarcation of our borders...

[Vaytovich] If they did not manage to find a common language this time, this means that they are still searching for it, and, I am convinced, they will finally find it. With regard to a treaty on friendship and cooperation, all questions have been resolved, and it is ready to be initialed. Discrepancies have appeared with regard to the Hadutsishki railroad station and the "Belarus" sanatorium, located in Lithuania. We are proposing to the Lithuanian side that the property of the sanatorium belongs to us and that we lease the land, but this apparently contradicts Lithuanian legislation.

[Karmanaw] Is it true that, regarding the Hadutsishki station, Lithuania's main bargaining chip is a document on its transfer to Lithuania, signed by [former Prime Minister] V. Kebich?

[Vaytovich] I have not seen such a document, and the Lithuanian side has not mentioned it either.

[Karmanaw] According to ZVYAZDA information, a visit by [Belarusian President] A. Lukashenka to Lithuania has been postponed, because the treaty has not yet been drafted...

[Vaytovich] The visit has actually been postponed, but it should be held in the near future. A normal negotiating process is currently under way.

Japanese Team Discusses Aid Distribution

WS2609152394 Minsk BELAPAN in English 1200 GMT 26 Sep 94

[Text] A group of Japanese experts have completed their visit to Belarus whose purpose was to discuss prospects for using the funds ($5.2 billion) that Belarus was granted as part of the Nuclear Non-Proliferation Treaty (NPT). During their visit, the experts familiarized themselves with the application by the Belarusian Defense Ministry for the environmental restoration and conversion of the former strategic missile base near Pastavy, Vitebsk Oblast. The funds that the Japanese side allotted for the defense conversion of this missile base are not sufficient. Japan's aid could be increased considerably thanks to the participation of Japanese private companies, but the Belarusian laws regarding foreign investments hamper the process.

Lukashenka Appeals to Deputies for Compromise

LD2709095494 Minsk Radio Minsk Network in Belarusian 0500 GMT 27 Sep 94

[Text] President Alyaksandr Lukashenka sent a letter to the members of parliament before the opening of the

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scheduled session of the Supreme Soviet. The president notes his profound concern about the country's serious economic situation. He says that in order to emerge from the crisis, there needs to be a reform of the state administration and an introduction of anticrisis measures. In this situation much also depends on the Supreme Soviet. Therefore, the president is appealing to the members of parliament to search for compromise and general points. In the letter the president confirms his readiness to take responsibility for carrying out the reforms and declares: I ask every member of the Supreme Soviet to allow me to implement the various provisions of the program and [word indistinct] presidential edicts within the framework of the Constitution of the Republic of Belarus.

Lukashenka Report Addresses Economic Issues

MM2709100394 Moscow TRUD in Russian 27 Sep 94 p 5

[Article by Tatyana Polyakova: "Belorussia: Vertical Races"]

[Text] Minsk—On the eve of the Supreme Soviet session due to start 27 September a meeting of oblast and rayon soviet chairmen took place which was attended by the president of Belorussia [Belarus], the chairman and members of the Cabinet of Ministers, and the chairmen of the Supreme Soviet and the National Bank.

Describing the economic situation in the republic, Alyaksandr Lukashenka noted that the change in the country's political leadership coincided with the inherited breakdown of the economy, while the populist measures taken by Kebich's cabinet aggravated the crisis phenomena. A unified concept for the state's organizational development is what is needed to reform the system. And its main priority should be to reform the national economy, which would make it possible to preserve Belorussian statehood and integrate the country into the world community.

Establishing discipline and order and enhancing the sense of responsibility among leaders at all levels was designated the second priority task. "How could the president have stood by," Alyaksandr Lukashenka asked himself and everyone present, "while the former defense minister used his official position in front of the whole people to resolve family problems (he is referring to the sizable state expenditure on the wedding of P. Kozlovskiy's son—author's note)...when, thanks to the connivance of the border guard command, the Republic of Belarus's state borders had become an open door?"

Incidentally, in connection with the accusations leveled at him Yevgeniy Bocharov, former commander of the border guards, held a large news conference. The press interest was, however, translated into a few fairly modest reports in a few newspapers. But some Belorussian journalists compare Yevgeniy Bocharov's fate with that of Aleksandr Rutskoy and predict serious opposition to the president's position during the coming Supreme Soviet session. The commander of the border guards was after all sacked without the authorization of the Supreme Soviet, of which he is a deputy.

General Bocharov himself, however, rejects any similarity with the disgraced Russian politician, modestly stating during an interview with the "Prospekt" television program: "My task is to defend the troops. As a people's deputy I must and will take part in political life."

By way of examples of officials' irresponsibility and impunity the president's report cited the squandering of funds in the timber industry and the lack of revenue from the cultivation of flax, one of Belorussia's main riches. The president's control service is currently inspecting over 100 of the republic's major and medium enterprises. However, when Alyaksandr Lukashenka asked the local authorities to help restore order, he met with blind indifference and inertia. The reason being, in the president's opinion, not only local leaders' wait-and-see stance but also the global crisis of authority, which is causing the paralysis of power, nostalgia for the past, and an inability to recognize the new political realities.

The solution is to restore a systems approach to state management. In Lukashenka's opinion, the executive headed by the president as head of state should play a crucial role in clearly delineating the powers of the three branches of authority. During the session Lukashenka intends to submit a proposal for the creation of a vertical executive and for the president to appoint regional executive leaders. At the same time an oblast soviet chairman can be elected by universal suffrage by the population in the relevant region, and he has the right to suspend the executive power's decisions and appeal to higher organs for their definite abrogation. While the executive power must implement the decisions of higher executive organs and decisions made by local soviets within the bounds of their competence.

As we can see, the new leadership of Belorussia has not decided on the classic format for local self-government adopted in most European states.

The president of Belorussia rejected the current notion that the dramatic change in foreign economic conditions brought about by the breakup of the USSR is still the main reason for the economic crisis. "We must take courage and recognize," Alyaksandr Lukashenka said, "that the state authorities dodged managing the economy (which is almost entirely state-run) and had no strategy for the transformation of administrative-command methods...." The president said that the main priority in his economic policy is to reinforce state regulation during the transition to a civilized market economy. The program of immediate measures that will also be submitted to the September session of the Supreme Soviet is based on this concept.

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In order to avoid catastrophe it is necessary to pursue self-reliance alone and, during the crisis period, to toughen the management vertical with effective mechanisms for financial regulation and economic and legal accountability, and also to initiate, via tax and investment policy, transformations in "growth areas" of the future national economic structure by providing selective backing for efficient enterprises.

Mentioning the need for privatization, the president noted that, in order to avoid previous mistakes whereby that which had been produced by the people's labor was privatized for a song, as well as the mistakes perpetrated by neighbors, privatization must be pursued resolutely but at the same time in a well-conceived and cautious manner. Agricultural representatives were told that it is time for them to learn to do without "financial fixes." One of the president's most interesting statements concerned his intention of providing foreign partners with land on long-term lease for the creation of production units beneficial to the Belorussian economy.

Lukashenka Appeals for More Foreign Investment

MS2709110094 London FINANCIAL TIMES in English 27 Sep 94 p 2

[Report by Anthony Robinson: "Belarus Looks For a Way Ahead"]

[Text] Minsk—Mr. Aleksandr Lukashenka, elected president of Belarus two months ago, has been furiously rethinking the country's future direction since President Boris Yeltsin refused to burden Russia with the costs of a new economic and currency union with the former Soviet republic.

Election promises, including a pledge of full employment and the wholesale sacking of "corrupt" officials have been thrown out the window following the collapse of the main plank in Mr. Lukashenka's election campaign, a close Russian connection. Instead, he has imposed steep rises in the price of bread, milk and vodka to cut the burden of subsidies and block the haemorrhage of artificially cheap foodstuffs to Poland and Russia.

This month he announced that the Belarus rouble, called the Zaitsev (hare) and nicknamed the "Belarus bunny", would be the sole legal tender, reinforcing the position of Mr. Stanislaw Bahdankevich, the pro-reform president of the Belarus central bank who was one of the officials threatened with dismissal in Mr. Lukashenka's election campaign.

Instead of the promised bail-out from Moscow the "programme of economic priorities" outlined by the president two weeks ago emphasises self-help and painful macroeconomic stabilisation. The main aim is to reduce monthly inflation from around 30-40 percent to 10-11 percent by the end of the year and 7 percent a year later.

Many details still have to be fleshed out in a programme which was put together mainly by Soviet-era bureaucrats. Mr. Vladimir Karyagin, president of the Belarus Union of Entrepreneurs, complains: "The programme has no strategic view with far too much emphasis on controls and not enough on incentives."

Mr. Karyagin says resolving the country's economic problems requires encouragement for a private sector which hardly existed four years ago and remains small.

The advocates of more private enterprise believe they have three cards up their sleeve. The first is Mr. Lukashenka's desperate need to succeed. The 40-year-old former army political commissar and collective farm manager waged an unashamedly populist election campaign which swept away Mr. Vyacheslav Kebich, an old-style communist apparatchik. But now he has to deliver higher living standards without the hoped-for Russian economic assistance.

The second is the presence in Minsk of representatives from the international financial institutions whose much needed financial assistance and technical advice is conditional on the government keeping to policy targets yet to be agreed.

In many ways the most convincing card is the example of its next-door neighbour—Poland. But Mr. Karyagin says: "We can't just copy the Balcerowicz plan (the shock therapy stabilisation programme named after the former Polish finance minister). Poland always had private agriculture and a large and influential diaspora and Poles always had a few dollars in their pockets. They also received large-scale western financial aid. But the fact that the Poles took certain policy decisions and received the results that we can see helps us enormously in arguing with our bureaucrats."

Many Belarussians still find it hard to imagine an independent existence for this flat land of 10 million people with no naturally defined borders, which was totally integrated into the Soviet economy. Most of the big military plants which produced over 70 percent of industrial output are now idle, while the country remains dependent on Russian oil and gas, apart from minimal local oil production of around 2 million tons annually.

In an interview inside the Stalin-era government offices, still graced outside by an enormous jet-black sculpture of Lenin, Mr. Lukashenka put the emphasis on self-help but also appealed for more foreign investment. He has chosen Mr. Vladimir Sopronov, a young parliamentary deputy, as the head of foreign economic policy coordination, and promised to take personal charge of land sales to foreign investors "to protect their interests and make sure they don't have to pay bribes to corrupt officials".

The aim now is to profit from the country's skill base and excellent transport infrastructure by pursuing macroeconomic stabilisation policies which have laid the basis for

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economic prosperity and national sovereignty not only in neighbouring Poland but also in Hungary and the Czech Republic.

Edict Tightens Up Foreign Currency Operations

LD2609141794 Minsk Radio Minsk Network in Belarusian 0500 GMT 26 Sep 94

[Text] President Alyaksandr Lukashenka has issued an edict on strengthening control over currency transactions in the Republic of Belarus. With the aim of ensuring full and timely entry of currency funds into the Republic of Belarus, and also of observing legislation on [word indistinct] of currency transactions, it says in the document that foreign currency may be acquired by businesses of the Republic of Belarus for Belarus rubles only for the purposes and in the procedure envisioned by acts of the National Bank of the Republic of Belarus. A control service of the administration of the president of the Republic of Belarus and an inspection of currency control are also being created. It has the function of controlling currency transactions, including export currency earnings arriving in the Republic of Belarus to businesses; deliveries to the Republic of Belarus for imports of goods, operations, and services; and sale and purchase and use by businesses of foreign currency on the currency market of the Republic of Belarus. The edict will be published.

Department of Territories Head To Resign

LD2609174094 Moscow INTERFAX in English 1645 GMT 26 Sep 94

[From the "Presidential Bulletin" feature No. 186 (676) for 26 September 1994; compiled by Nikolay Zherebtsov, Andrey Petrovskiy and edited by Vladimir Shishlin]

[Text] Chief of the Department on Territories in the president's administration Viktor Tereshchenko announced his intention to resign. He told an Interfax correspondent that his decision appeared as a result of "intrigues behind the scenes organized by some favorites of the president." However, he refused to mention any names.

Tereshchenko said he believed that there were "many incompetent people" close to the president who were pushing "aside his closest supporters by influencing Alyaksandr Lukashenka." IF Note: During the elections campaign Tereshchenko ran for the Belarusian presidency. However, he failed to collect the 100,000 signatures of citizens required for the official registration of a candidate. Tereshchenko then joined Lukashenka and his supporters. He became Lukashenka's man of confidence for the elections. Earlier, Tereshchenko had worked as a deputy director general of the Gomselmash industrial enterprise, his advisor on foreign relations and as the head of the Belarusian Institute of Management.

Tereshchenko is the first in the administration of Lukashenka to resign.

Earlier, Tereshchenko said in an interview with Interfax that he had sent a message to Lukashenka asking him to explain why he had changed his attitude to Tereshchenko. Tereshchenko did not receive any response. He said that during a conversation with Head of the President's Administration Leonid Sinitsyn he had been advised to think about working somewhere else.

Tereshchenko said that Dmitriy Bulakhov did not find favor with Lukashenka either (Bulakhov headed the initiative group for putting forward Lukashenka's candidacy for the presidential elections. He was the creator of ideological programs for the first Belarusian president's campaign, according to competent sources). "Two months passed after the inauguration of Lukashenka but there is yet no decree confirming the appointment of Bulakhov as the State Secretary of the Presidential Council," Tereshchenko said.

Situation on 'Cholera Front' Said Improving

WS2609140494 Minsk ZVYAZDA in Belarusian 22 Sep 94 p 3

[Report by Ihar Hryhoryew: "Cholera Gives Up"]

[Text] As the Department of Particularly Dangerous Infections at the Belarusian Center of Hygiene and Epidemiology has reported, the situation on the Belarusian "cholera front" is improving. Only five carriers of the cholera virus from Mahilyow and one patient from Zhlobin are currently hospitalized. Moreover, the latter feels well and is already getting ready for release—after three medical examinations (two have already been conducted) he can say goodbye to the hospital.

People who came into contact with the carriers and the patient have also been examined. They have tested negative for the cholera virus.

Shortcomings of Military Service System Viewed

WS2609125694 Minsk VO SLAVU RODINY in Russian 17 Sep 94 p 1

[Article by Lieutenant Colonel Syarhey Verashchak: "Whom Will We Enlist?"]

[Text] Our Army has crossed a peculiar Rubicon: Two groups of conscripts have been released from army units to "civilian life" at one time—those who have served two years and those who have served a year and a half. The transfer to the reserve lasted for a long time—from April to August.

Despite all the fears, there have been no problems with manning the units. The fears concerned the following: Last fall, military registration and enlistment offices were not able to provide enough conscripts for all army units. In Minsk Oblast alone, 1,134 people did not respond to the military commissions' call and more than 9,000 young people were granted deferral of the army draft—some due to their family situation, others to

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continue their education at colleges. Among them were also those who were "rejected" by medical commissions. A very alarming sign was that almost 10 percent of young men (1,697 people out of 19,734) were deemed unfit for military service!

This is why military registration and enlistment offices stepped up their work with conscripts, while organizing and conducting the 1994 spring-summer draft. The Attorney's Office finally got down to work too. Trials were held in Belarus and dodgers were brought to criminal accountability. This positively affected the consciousness of potential young reinforcements.

These measures made it possible not only to fill the gaps which occurred after the release of the two drafts, but also to man military units and subunits with compulsory servicemen at 77 percent, compared with the recommended 73 percent.

The Defense Ministry Educational Work Directorate has recently conducted a poll among young soldiers from the latest draft. It revealed that 60 percent of the young men appeared before military registration and enlistment offices because they were afraid that they would be brought to account for dodging the draft, and that only a mere 30 percent of them consider military service the fulfillment of their constitutional duty...

Currently, there is a majority of Belarusians in the Army—85.5 percent, Russians—8.5 percent, Poles—3.5 percent, and Ukrainians—1.6 percent. In other words, 100 percent are Slavs.

Nevertheless, there are few grounds for optimism. Here are the facts: The number of people sentenced for various crimes and detained by the militia for illegal acts increases with every draft. This year, the number of such people amounted to 4.85 and 8.44 percent respectively. In general (99.43 percent), this contingent joined construction units.

In addition to this group, students from vocational schools and orphanages are also considered a risk by the Army (every third draftee belongs to this group). They are the carriers of negative phenomena such as bullying of their colleagues, distortion, and physical abuse.

The education level of soldiers and sergeants also affects the situation in military units. It declines every year. It was hard to find a soldier with an incomplete secondary education five or six years ago. Currently, 12.5 percent of such people are drafted: Over the last two years, their numbers increased two-fold! The number of soldiers with a higher education is very low—there is currently one out of every 170. However, almost half of all the units do not have young people with a higher education among the "compulsory draftees."

Unfortunately, the socio-demographic data on draftees are also deteriorating. Every fifth young man serving in the Army grew up in an incomplete family...

The quality of any work depends on the worker's goodwill and habits. Applying this formula to military service, one can see that its quality is low, only because 40 percent of the surveyed soldiers consider their service as lost time, and they do not condemn those who are dodging it. Explaining their negative attitude to military service, many pointed out that, in "civilian life," they would have earned money and settled down.

Young people do not display particular zeal for work. The number of conscripts who did not work prior to their military service amounts to 29 percent, which is almost 10 percent more than last year's figure. Adding 13 percent of those who recently graduated from school, the total number of people with work experience will hardly amount to half of all the conscripts. Can one speak of high quality service of such rookies?

The Army pins its hopes on contract servicemen. We already have such men. Around 600 people are currently serving in the Army on contract, and the flux of applications from those who want to sign contracts is not running dry.

In our consciousness, the term "contract serviceman" is associated with a high-class professional, who should be well paid. Will our budget endure the contract system? The Organization and Mobilization Department of the Defense Ministry Reinforcements Directorate has conducted research, producing very interesting results: It is economically more convenient for the state to provide for contract servicemen than soldiers and sergeants in compulsory service.

The 18-month expenditures for a "compulsory serviceman" currently costs the state 135.65 [currency not specified] in minimum wages. This includes his pay, boarding, material and medical provisions, as well as transportation, municipal, educational, and recreational expenditures. Expenditures for a contract serviceman over the same period amount to 145.67 minimum wages. Apparently, the result is obvious—a contract soldier is more expensive. Let us not forget, however, that the state also spends money on the education of specialists at schools for noncommissioned officers and OSTO's [expansion unknown]... Adding this money to the expenditures for a "compulsory serviceman," they will not be lower than those for a contract soldier. Taking into account that a contract serviceman chooses military service voluntarily, and that he will serve not for 18 months but two years—and in case his contract is extended, for another three years—it becomes obvious that it is more convenient to provide for a contract serviceman than a compulsory soldier.

A few words about alternative service: The number of true believers among the recent draftees is very low—0.1 percent. However, behind this figure, though insignificant, there are people. If we are aiming at a low-governed state, in which all civil rights should be respected, we unconditionally need a law on alternative service. At the

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same time, such a law should not leave loopholes for those who always seek to comfort themselves.

Moldova

CSCE Informed of Dniester Human Rights Violations

AU2609205894 Chisinau BASAPRESS in English 2000 GMT 22 Sep 94

[Text] Chisinau BASAPRESS, 22/9/1994—Moldova will request the CSCE to take an attitude towards the Moldovan pupils and teachers' rights abused by the authorities of the self-proclaimed Dniester Republic. A communique by the Ministry of Foreign Affairs (MAF) press service says that "in connection with the outrageous violation by the Tiraspol authorities of the elementary right of Moldovans from the Dniester's left bank to education, which is expressed by forcing them to learn the state language with the Cyrillic script, the Ministry of Foreign Affairs has instructed the Moldovan Embassy in Vienna to request the permanent CSCE committee to take an attitude toward these flagrant violations of human rights and adopt a decision adequate to the situation." Also today, the Foreign Ministry sent notifications on this issue to Daniel Tarshys, Council of Europe secretary general, Antonio Martino, CSCE acting chairman, and Max van Stoel, CSCE commissar for problems of ethnic minorities, says the communique.

Russian-Speakers Block School Using Latin Script

AU2609205694 Chisinau BASAPRESS in English 2000 GMT 22 Sep 94

[Text] Chisinau BASAPRESS, 22/9/1994—"We do not want the Tighina schools preparing specialists for Romania. If the parents of the pupils from Moldovan classes want their children to study in the Latin script, let them hire private teachers or send their children to Romania," stated to BASA representatives of the Union of Women Defenders of Dniester blocking Tighina school No. 19. They said that they will not cease blocking the school until they receive guarantees that the teaching process here is carried out only in the Cyrillic script. "The Dniester Linguistic Law forbids the use of the Latin script and it has to be respected on the entire territory of our republic," they consider. They protested against the fact that Romanian manuals were used in school No. 19 and that some lessons were delivered by teachers from Romania. In their opinion, most pupils live in Tighina suburbs and they should study where they live. According to certain unverified data, the blocking of the school is coordinated by the Dniester Moldovans' Union and personally by its leader Professor Vasiliy Yakovlev.

This morning around 200 parents of the pupils from the Moldovan school No. 19 from Tighina (Bender) gathered in front of the building where the session of the city soviet takes place. Sources from the local administration told BASA that the protesters wish that the authorities allow the education process to begin. The teachers from this school were unable to continue teaching because the school has been blocked for several days by the representatives of the Union of Woman Defenders of Dniester, who are protesting against the use of the Latin script. The same sources point out that the parents of the Moldovan pupils, together with parents of Russian pupils, are blocking the building where the session is taking place. The protesters demand that the authorities allow the teaching with the Latin script and that the school's blockade be lifted. BASA learned that also today a delegation composed of Moldovan parents left for Tiraspol where they hope to meet with the Dniester government members and obtain the lifting of the school's blockade and the agreement to continue the teaching with the Latin script.

PSDM Leaders Want Parties To Abide by Constitution

AU2609210594 Chisinau BASAPRESS in English 2000 GMT 22 Sep 94

[Text] Chisinau BASAPRESS, 22/9/1994—Today, the Moldovan Social Democratic Party (PSDM) held a press conference. Oazu Nantoi, PSDM chairman, recently visited Sweden and Victor Josu, PSDM deputy chairman, visited Germany, where they were invited by the respective social-democratic parties. Nantoi, asked by BASA to comment on the Prosecutor's Office notification to suspend the activities of some political parties on grounds that their statutes fail to comply with the Constitution, said that "the Constitution has to be abided by, and the programs and statutes are to conform to it. It is quite another thing that the law on the function of the political parties is not perfect and authorities can interpret it as they want. But I do not think that the People's Front is a symbol of Moldovan democracy." Referring to the forthcoming local elections, Josu gauged that the citizens will elect their candidates in the organs that lack power and depend on the Chisinau governors. "Chisinau's pressure on the districts is greater than the former pressure of Moscow on the ex-Soviet republics," said Josu.

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Kazakhstan

Nazarbayev, Saudi King on International Issues

LD2609125894 Moscow ITAR-TASS in English 1112 GMT 26 Sep 94

[By ITAR-TASS correspondent Viktor Lebedev]

[Text] Al-Kuwait 26 Sep (TASS)—Kazakhstan President Nursultan Nazarbayev, who is now in Saudia Arabia on an official visit, met with Saudi King Fahd Bin-'Abd-al-'Aziz al-Sa'ud on Sunday [25 September] evening in Jeddah.

The two leaders discussed the situation in Central Asia, the CIS countries, the Middle East, and in the Persian Gulf region, and also touched upon other international questions and the bilateral relations between their two countries.

The director of KAZTAG, the Kazakhstan state information agency, told ITAR-TASS the meeting revealed that the opinions of the president and king were very close in many instances, and that their positions often coincided.

The Saudi king expressed support for Nazarbayev's efforts to strengthen trust and cooperation on the Asian continent. He said Saudi Arabia would be ready to participant in joint efforts to ensure the success of such efforts.

Fahd Bin-'Abd-al-'Aziz stated that the Kazakhstan's idea to create a Euroasian union was a "useful beginning". He noted the important role which Kazakhstan played in promoting stability and cooperation in Central Asia. While stressing the kingdom's policy of non-interference in the internal affairs of other states, the Saudi head assured the Kazakhstan delegation that the kingdom would be glad to help the republic shore up its sovereignty and statehood.

The two leaders exchanged opinions concerning bilateral cooperation in the oil industry, agriculture, education, and trade. The two sides considered an exchange of diplomatic representatives, the organization of air links between Saudi and Kazakhstan cities, and the encouragement of business ties.

King Fahd expressed willingness to help Kazakhstan train specialists abroad and revive the people's religious values.

The questions discussed will be fixed in a bilateral agreement which is scheduled to be signed by the foreign ministers of the two countries on Tuesday.

On Monday, Nazarbayev met with the secretary-general of the Organization of the Islamic Conference, Hamid Algabid, and with Saudi journalists. In the evening, the Kazakhstan delegation will leave for Mecca in order to make a pilgrimage.

'Unprecedented' Dismissal of Aides on Ethical Grounds

MM2609142794 Moscow PRAVDA in Russian 23 Sep 94 p 1

[Report by Tleuzhan Yesilbayev: "Nazarbayev Cannot Stand the Shade"]

[Text] Alma-Ata [Almaty]—The tumultuous scandal surrounding Kazakhstan's Minister of the Economy Mars Urkumbayev, accused by the republic Prosecutor's Office of abuse of office, has culminated with his being relieved of this post by an edict of President N. Nazarbayev "for violating the moral and ethical norms of a member of parliament."

It was with this very same phraseology that another high-ranking functionary—the republic's internal affairs minister, Vladimir Shumov—was removed from his post. It has to be said that the dismissal of two government members from their posts in rapid succession, and, moreover, for violating moral and ethical norms, is an unprecedented event here. A comment from the president's press service on this score notes, in particular, that the measures taken at the very highest level in respect of the ministers of the economy and internal affairs appear very timely in all aspects. The president has made it unambiguously clear that he does not intend to tolerate odious people alongside him, willingly or otherwise casting a shadow over him.

Grain Harvest Causing 'Serious Concern'

LD2309192994

[Editorial Report] Moscow ITAR-TASS World Service in Russian at 1436 GMT on 23 September broadcasts a three-minute report on the state of the grain harvest in Kazakhstan, which is causing "serious concern" as winter approaches and only half the crop has been brought in.

The main brake on the harvest is lack of finance. To date, the government has paid out 1.7 billion tenge for the state grain order, but the estimated cost is up to three times that amount.

Other problems are shortages of fuel and parts for machinery and a lengthy summer drought. Yields are lower than expected, at 12-13 threshed grain per centner.

Meanwhile, procurement of the grain is running behind schedule. At present only 700,000 tons of the state order of 5 million tonnes are in storage elevators, and a further 5 million tons of wheat have to be obtained to go abroad under government-sponsored export agreements.

Remedial action is being taken, according to the report. Kazakhstan's parliament has agreed to provide additional loan funds for agriculture in the republic, including 4.5 billion tenge to finance the state grain order.

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Kyrgyzstan

UNDP Funds Health Care Development Project

LD2609145294 Bishkek Kyrgyz Radio First Program Network in Russian 0000 GMT 26 Sep 94

[Text] An agreement has been signed between the Kyrgyz Ministry of Health and the UN Development Program [UNDP] on financing the Manas program for health care system reform in the republic. This program should not be confused with the national program of reforms in health care. As Yerzhan Murat, UNDP representative in Kyrgyzstan, said on signing the agreement, the Manas program is aimed first at learning from experts. Today a group of experts is working on a master plan of the project [as heard] in Kyrgyzstan. A part of $300,000 allocated by the UNDP will be spent on the plan. The program itself is expected to last until 2005. After addressing urgent problems envisioned by the master plan, another $200,000 will be given to the Kyrgyz Health Ministry within the framework of the Manas project.

Grain Production Targets 'Unfeasible'

LD2709104294 Moscow ITAR-TASS World Service in Russian 0855 GMT 27 Sep 94

[By ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek, 27 Sep—The harvest from the grain fields of Kirghizia [Kyrgyzstan] this year is greatly down on last year's. This is confirmed by figures published today by the republic's Ministry of Agriculture. At the moment the republic has 577,300 hectares under grain. Only 522,200 hectares of grain survived to harvest time. The amount threshed from the grain from the harvested area was 790,300 tonnes, whereas last year this was 1,165,500 tonnes. This year 19 quintals have been harvested per hectare, last year it was 25.

Experts at the ministry, noting the objective causes of this drop in grain output - drought, spring flooding and hail - are also aggravating other circumstances: the constant shortage of fuel and spare parts for vehicles and machinery.

In this connection observers are drawing attention to the fact that the prospects for Kirghizia to be self-sufficient in grain announced last fall by the country's premier once again have remained unfeasible.

Tajikistan

Abdullojonov Supporters Claim Electoral Violations

LD2709104194 Moscow ITAR-TASS World Service in Russian 0750 GMT 27 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 27 Sep (ITAR-TASS)—Supporters of Abdumalik Abdullojonov, the 45-year-old ambassador of the Russian Federation to Tajikistan, who is standing for the highest state post of Tajikistan, protested violations of Tajikistan's law on presidential elections which are planned for around 6 November.

The statement circulated today for the press by the Leninabad oblast action support group (north Tajikistan) says that in violation of the law on elections, supporters of the other presidential candidate—the present head of state Emomali Rakhmonov—"unleashed a broad propaganda campaign in his support, including on the state mass media, on radio and television" more than a month before the elections.

Moreover, the authors of the statement allege that they are aware of official representatives of state power structures carrying out a propaganda campaign during business trips, pressurizing the local authorities and calling on the population to vote for Emomali Rakhmonov. The authors of the statement say that such instances have been noted in the Pendzhikentskiy and Ashtskiy rayons, in Khodzhand city—the administrative center of Leninabad oblast--and also in the city of Dushanbe and several rayons which are directly under the republican government.

"We think that it is not possible to carry out an equal and honest struggle for the votes of the electorate in such conditions. This is impermissible. Therefore we call on all fellow countrymen, despite illegal activities and violations of the law on the presidential elections in Tajikistan, to vote for the president whom you wish to see as the legitimate and worthy head of state," the statement says.

Russian Guard Statement on Border Situation

LD2609142594 Moscow ITAR-TASS in English 1307 GMT 26 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe September 26 TASS—The leadership of the Russian guards stationed on the border between Tajikistan and Afghanistan have expressed their concern over the situation on the border.

The Tajikistan Foreign Ministry's Information Department circulated today a statement made by the Russian border guards' press-group. The statement said: "We have information that the leaders of the Tajikistan Movement of Islamic Revival are instructing the opposition's field commanders to step up their military activities on the Tajik-Afghan border and in rear areas of the republic, in order to occupy strategically strong positions before the arrival of the UN observers". The UN observers are due to arrive on September 28.

"In this connection", the statement continued, "the number of attempts made by groups of Tajik fighters to break through from Afghanistan has significantly risen.

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Over September 17 to 21 the Russian border guards twice had firefights with armed groups of the opposition [words indistinct] were eight attempts by armed groups to cross onto the territory of Tajikistan in the Moscow and Khorog border stretches. Russian border guards on the Khorog section have been repeatedly fired at. The roads leading into the interior of the republic are still being mined.

The statement of the guards' press group further notes that the armed opposition has been transferring additional fighters, equipment and ammunition from Afghanistan over sections 12 and 13 of the Moscow border stretch. The opposition's goal is to reinforce its hold over several bases already in Tajikistan, the statement said. The opposition has suffered losses, but continues to regroup and perfect the fortifications around their positions.

There are about 150 armed members of the opposition in that region. The number has been increased by more than 60 Tajik mujahideens and Arab mercenaries over just the last few days.

The federal border guard service's statement of September 20 makes it clear that the command of the Russian border guards expect the leaders and the field commanders of the Tajik opposition to cease hostile operations, today's statement stressed. If that is not done, the border guards have all they need in order to put a decisive halt to any extremist acts, the document warns.

Defense Ministry Ensign Shot in Dushanbe

LD2609121294 Moscow INTERFAX in English 1052 GMT 26 Sep 94

[Text] A senior ensign of the Tajik Defense Ministry was shot dead in the center of Dushanbe on Sunday evening.

The chief of the press center of the ministry Major Vasiliy Likholet told INTERFAX, the 50 year old man was guarding a unit of the ministry when unidentified persons opened fire from a submachine gun at him. The gunmen have not yet been found. Tajik law enforcement bodies have launched an investigation.

This is the sixth serviceman of the Tajik Defense Ministry killed in Dushanbe since the beginning of summer. None of the killers has been found.

Turkmenistan

Route Identified for Trade With Pakistan

BK2609155594 Islamabad PTV Television Network in English 1400 GMT 26 Sep 94

[Text] Turkmenistan and Pakistan have agreed to use Herat-Kandahar-Chaman-Karachi route for transit trade activities between the two countries. The agreement came during high-level talks in Ashkhabad [Ashgabat]. Interior Minister Retired Major General Nasirullah Khan Babar and Deputy Prime Minister Sergey Bargeyes led their respective delegations at the talks. The highway construction experts will review this route in detail next month and submit their recommendations regarding making it a double track. Trade activity on experimemtal basis between Pakistan and Afghanistan on this route will begin by the end of next month. This trade route will provide the Central Asian states an easy approach to Karachi port.

Four Boeings Acquired for National Airline

MM2609122794 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Sep 94 p 1

[Report by correspondent Aleksandr Bushev under "Right Angle" rubric: "Turkmen Squadron's Boeings"]

[Text] Ashkhabad [Ashgabat]—The Turkmen airline fleet has bought four new Boeings—three of them 737's and one a 757—from the U.S. company Delta. Two airplanes have already landed at Ashkhabad Airport recently, and the others will arrive at the end of the year. Thus, the Turkmen civil squadron will have six of the comfortable U.S. machines in its fleet and in terms of this indicator will be one of the top CIS aviation companies.

By the way, Turkmen President S. Niyazov is the only Commonwealth leader to have a Boeing 757 at his personal disposal. All the others use "Soviet" airliner models for their journeys.

Uzbekistan

President Praises IMF's Help at Meeting

LD2509163594 Tashkent Uzbek Television First Program Network in Russian 1911 GMT 23 Sep 94

[Text] Uzbek President Islam Karimov today received Edward Brau, the deputy director of the International Monetary Fund's second European department, and Istvan Szalkas, the chairman of the IMF in Uzbekistan.

Greeting the IMF representatives, the head of our republic stressed the fund's great importance for the successful implementation of the programs started in Uzbekistan.

Our country became a member of the IMF in 1992. In the time that has elapsed since then the republic has obtained many practical recommendations and a substantial hard-currency credit from this international institution.

At the meeting, President Karimov spoke about the specific features of the economic transformations currently being pursued in Uzbekistan. The sides also discussed other matters of mutual interest.

Uzbek Deputy Prime Minister Bakhtiyar Khamidov and Central Bank chairman Fayzullo Mulladzhanov attended the meeting.

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IMF Briefed on Central Bank, Reform Efforts

LD2709094694 Tashkent Uzbek Television First Program Network in Russian 1930 GMT 26 Sep 94

[Text] A news conference devoted to the visit by an International Monetary Fund [IMF] mission to our country was held at the Central Bank today. It was opened by Deputy Prime Minister Bakhtiyar Hamidov. He noted that the IMF mission led by Edward Brau had done 10 days of work in Uzbekistan. It was familiarized with the state of affairs at ministries and government departments and with the Uzbek Central Bank's operations.

Its members met with deputies of the Supreme Council and were received by Uzbek President Islam Karimov. Matters relating to the whole complex of economic reforms in the republic were discussed during the IMF mission's visit.

Edward Brau, head of the IMF mission, noted that the meetings and negotiations had produced good results. In particular, he stressed his deep satisfaction with the meeting with President Islam Karimov, during which particular issues relating to Uzbekistan's cooperation with the IMF were resolved.

Answering questions put by journalists, Brau said that the IMF fully supports the Uzbek economic reforms reflected in the latest political documents. He gave an assurance that Uzbekistan's government will receive comprehensive support from the IMF to help it achieve its goals more rapidly.

The IMF representative in Uzbekistan, Istvan Szalkai, and the chairman of the Central Bank of Uzbekistan, Fayzulla Mullajanov participated in the news conference.

Parliament Sets Elections to New Legislature

LD2509162994 Tashkent Uzbek Television First Program Network in Russian 1930 GMT 23 Sep 94

[Text] The 16th session of the Supreme Council [Oli Kengash] of the Republic of Uzbekistan in its 12th convocation carried on its work on 23 September in Tashkent.

Erkin Khalilov, the acting chairman of the Supreme Council chaired the meeting. It heard a report by Jalilov, the chairman of the Committee for Science and Ecology, on a draft law on natural resources. The deputies passed this law.

The Supreme Council made amendments and additions to certain legislative acts. In connection with the expiry of the term of office of people's deputies of the Republic of Uzbekistan and of local councils, the Supreme Council set elections of deputies to the Supreme Assembly and deputies to regional, district, and municipal councils on 25 December this year.

After that, deputies approved certain edicts by the president of Uzbekistan and resolutions issued by the presidium of the Supreme Council. The parliament ratified an agreement on giving mutually legal help on matters of citizenship, trade, criminal cases, and also a consular convention between the Republic of Uzbekistan and the Turkish Republic. Changes were made to the composition of the Supreme Court and of the High Court for Economic Cases.

Deputies approved the text of a briefing on the work done by the Uzbek Supreme Council in its 12th convocation and took a decision to send it to the press. President of Uzbekistan Islam Karimov participated in the work of the session.

With this, the 16th session of the Supreme Council of Uzbekistan in its 12th convocation concluded its work.

Progress of Fatherland Party To Run in Elections

LD2609190394 Moscow INTERFAX in English 1750 GMT 26 Sep 94

[Text] The Progress of Fatherland (Vatan Tarakkiyeti) Party intends to play a very active role in the parliamentary elections in Uzbekistan planned for December 25, the party's leader Anvar Yuldashev told journalists in Tashkent today.

Yuldashev said the party would hold a congress in Tashkent in late October in order to put forward candidates for the new parliament which would be formed on a multi-party basis.

Progress of Fatherland is the second official party in Uzbekistan. It was created by the Uzbek president's State Advisor on Problems of Youth, Usman Azimov, on May 26, 1992. The party has been backed by entrepreneurs, young scientists and intelligentsia. Progress of Fatherland said it would support the government's reforms. The party now has about 35,000 members, mostly inhabitants of Tashkent.

Security Chief Interviewed

LD2709103494 Tashkent NARODNOYE SLOVO in Russian 24 Sep 94 p1

[Unattributed article: "At the Service of the Homeland"]

[Text] Lieutenant-General Gulom Aliyev, chairman of the National Security Service of the Republic of Uzbekistan, answers questions put by correspondents of the NARODNOYE SLOVO and KHALQ SOZI newspapers ahead of the service's anniversary holiday.

Question: Gulom Aliyevich, what has happened with Uzbekistan's special service over the last year? Have the main areas of its work or the essential nature of its assignments changed?

Aliyev: This year can be rightfully described as the period in which Uzbekistan completed the creation of an

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independent and effective system of state security. Of course, this was only possible because of the constant help afforded by the state leaders and their attentive attitude to the service's problems. In the last year alone a National Security Service Institute and a Border Guards College have opened in Tashkent, which will allow us to fully solve the problem of personnel training. The service is significantly better supplied with technology, its employees are on average 10 or 15 years younger than before, and they represent all the ethnic groups living in Uzbekistan.

The government displays constant concern for strengthening the border - the forward post of security. New border posts have been set up. The head of the state has personally visited the border troops and gained a detailed picture of the state of affairs along the frontier, something which produced a marked rise in the fighting spirit of frontier soldiers and officers.

The main areas of work and principal assignments for our service remain the same: intelligence, counterintelligence, the fight against organized crime; involvement, in both personnel and resource terms, in maintaining and consolidating sociopolitical stability in the state; and the protection of the state borders.

Question: What specific results in these areas are you able to tell us about?

Aliyev: Our counterintelligence service has disclosed that a certain foreign country had residents and agents operating in our republic. Their activity has been documented and neutralized.

As it builds a state that operates within the law, Uzbekistan is very serious about the need for laws to be observed on its territory. This applies equally to us citizens and to our guests. Uzbekistan is a cordial and welcoming host to everyone who respects the rules which apply when staying in our country, and whose actions do not contravene the law. But if any interference in our internal affairs or breaches of the law come to light, the laws of Eastern hospitality are replaced by the full gravity of the law. In the current year alone administrative sanctions were applied to 910 foreign citizens, 193 of them were deported, and three foreigners were charged with criminal offenses. The activities of six foreign tourist firms was halted after they organized channels for illegal emigration via our republic. The activities of eight emissaries of clerical centers who interfered in Uzbekistan's internal affairs were also cut short.

Question: At the end of last year a wave of operations to neutralize criminal groups swept through the republic. The media reported that several major personalities were arrested. To what extent was the National Security Service involved in this and similar actions?

Aliyev: Organized crime is an area of work where no one government department can cope alone. For that reason all the forces within the law-enforcement system were pooled for the task. Agreements were signed with the governments and government departments of other CIS countries, above all our close neighbors. In particular, agreements were signed with Russia, Kazakhstan, Ukraine, Kyrgyzstan, Turkmenistan, Tajikistan and others. Within the framework of operational assignments, business meetings and consultations are being held on how to improve cooperation with foreign special services. The results have not been slow in coming. In the last year alone our cooperation with other law-enforcement organizations has helped us cut short the activity of 47 criminal groups, significantly reduce the incidence of crime committed by professionals, detect serious murders, and bring criminal charges against a number of so-called leaders and top figures in the criminal world, who are a danger to society.

Question: It really has become much quieter on the streets. And that is without even comparing Tashkent with other CIS capitals, where gunfire is commonplace.

Aliyev: If one works by the principle that any illegally held weapon will sooner or later be fired, then we can say that there are quite a few people who fancy letting off a few shots. This year alone the National Security Service, helped by other law-enforcement organizations, confiscated 37 assault rifles, 42 pistols, 523 grenades, 2 machine guns, one flame-thrower, 88 unguided projectiles, 11 bombs and more than 200,000 rounds of ammunition. There is really no scope for letting up, because the fighting continues close to Uzbekistan. In line with an agreement with the Tajik National Security Committee, the Security Service has tracked down about 100 terrorists and handed them over to our neighbor in the last year alone.

Question: It is known that not only weapons but also drugs are being smuggled into Uzbekistan.

Aliyev: This is a no less terrible weapon, perhaps even more terrible, and it is capable of undermining the stability of any state. In view of the importance of combating this social threat and evil, Uzbekistan in general and our service in particular have significantly widened the framework for international cooperation in this field. The National Security Service has held working meetings with representatives of the competent services in the United States, Germany, and the UN regional department. These meetings covered matters relating to increased cooperation and to the rapid exchange of information on the illegal drugs trade.

The heads of National Security Service departments have participated in seminars on the war on drugs which were held in Moscow and Kiev with the assistance of U.S. experts. A certain amount of experience has been accumulated in the area of practical cooperation with the competent Western organizations, and several joint operations have been carried out fairly successfully.

This year the biggest consignment of hashish in the world was brought out from the National Security Service's

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storage facilities and destroyed. Fourteen tonnes of hashish were burnt in furnaces at a Tashkent factory. Giorgio Giacomelli, UN deputy secretary-general and the executive director of its narcotics control program, highly praised the humanitarian and political significance of this action. But this was just a link in a large chain. International drug traffickers regard Uzbekistan as a suitable territory for the transit of narcotics from Afghanistan, Pakistan and South-East Asia to Europe. A fair amount flows via Turkmenistan, Kyrgyzstan, and Tajikistan to other parts of the CIS. At the end of last year more than a tonne of hashish which an Afghan firm had dispatched to the Netherlands was confiscated. A number of attempts to bring in heroin, a dangerous narcotic, and transport it through Uzbekistan were cut short. In one case alone 1,190kg was confiscated. The action we took on this case in conjunction with the special services in a number of other countries made it possible for an international drugs ring to be arrested abroad.

Question: You have been speaking about the traditional business of all special services: the war against arms smuggling, drug trafficking, organized crime and mafia organizations. Are there any aspects of the work done by Uzbekistan's counterintelligence service which relate to the specific features of the current period in the republic?

Aliyev: There undoubtedly are. The Republic of Uzbekistan has declared to the whole world that economic development is its priority, and it is carrying out its plans in a consistent manner. In line with this the National Seciurity Service, too, has included defending the country's economy on its list of priorities.

Agreements which certain enterprises have signed with foreign firms have been economically damaging to Uzbekistan and have been annulled or prevented, thus saving funds worth millions of US dollars. We have cut short attempts to illegally export rare-earth metals, 10 tonnes of copper, 4.5kg of industrial gold stolen by a group of criminals, 80 tonnes of cotton fiber and much else besides. Cooperating with the customs service, we have prevented the smuggling of antiques, foreign currency, and articles of historical value, including a total of 22kg of jewellery made of silver and other precious metals, and medal and numismatic collections.

The service is doing some pretty serious work to ensure that the law on protection of state secrets is observed. Unfortunately, our employees did not just uncover numerous cases where the position was such that this law could have been broken - here we were able to issue a caution or take other preventive measures. However, there were in addition breaches of the law serious enough to require warrant bringing criminal charges against citizens who, for personal gain, had offered state secrets of the republic to foreigners at 100 or 200 dollars. These criminal cases have been sent for consideration by the judicial bodies.

I should make special mention of the fact that given the volatile nature of Uzbekistan's economic situation, work in this area is under special supervision; the system for protecting economic, military, strategic and other state secrets will be improved, and the measures taken to deal with those who break the law will be of the most severe kind.

Question: I have to ask you a question that isn't really in keeping with the forthcoming anniversary of your service. The foreign media, including Radio Liberty, has carried reports that the opposition in Uzbekistan is being persecuted. In particular, it is reported that criminal charges have been brought against a number of members of the Erk party.

Aliyev: A regional branch of the National Security Service has in fact instituted criminal proceedings in a case where young people aged between 18 and 20 were illegally smuggled abroad on forged documents to be trained as guerrillas. An investigation has established that instead of the education in business and market economics they had been promised, the boys were forced to undergo special training to carry out acts of sabotage on Uzbek territory and learn combat skills. Their parents only received news of their whereabouts some months later, as they told investigators. Those involved in organizing these particularly dangerous crimes against the state have been identified, as have the false addresses they used and the location of the camps in a Middle Eastern country where the guerrillas were to be trained by extremist organizations.

As you can see, there are no democratic or opposition principles here at all; it's just a bunch of criminals, a viper's nest on which the court will have the final say.

Question: I don't want to end the interview on such an unfestive note.

Aliyev: The service has some pleasant news for the forthcoming anniversary, too. Nine serving officers in the National Security Service and 365 former security service officers who are now pensioners have been awarded the For Valour Medal, 95 veterans have been given the Glory Medal, and several employees have been rewarded for courage and selflessness in the course of duty with honorary certificates and thanks from the leadership.

In conclusion I would like to send greetings and best wishes to all colleagues, veterans and reserve officers of the National Security Servie, to their families, and to everyone who helps us in the difficult task of bolstering the sovereignty of our beloved motherland and maintaining stability.

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Human Rights Body Protests to Karimov, CSCE

LD2309165694 Moscow 2x2 Television in Russian 1354 GMT 23 Sep 94

[Text] Human Rights Watch, a nongovernment organization, met with journalists at the Russian-American press center. The meeting focused on human rights in Uzbekistan.

Experts believe that critical opposition is being vigorously suppressed in that country. The opposition is in fact banned, just as in the worst days of the Soviet government. Human Rights Watch has sent an open letter of protest against this situation to Islam Karimov, president of Uzbekistan, and Wilhelm Hoeynck, the CSCE general secretary.

European Commission To Advise on Transporting Uranium

LD2709104894 Tashkent BIZNES-VESTNIK VOSTOKA in Russian 23-29 Sep 94 p 3

[Text] Uzbekistan is one of the CIS countries in which the European Commission is to carry out a project involving free technical assistance for the transport and distribution of natural and low-grade uranium.

Uzbekistan is not developing nuclear power. However, the republic does possess reserves of uranium ore, and it produces low-grade uranium, which is exported mainly to Russia and Ukraine for their nuclear power industries.

Part of the project in Uzbekistan will involve consultations on the safe transportation of uranium and elimination of the consequences of operating uranium mines.

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Armenia

UK Parliamentarian Eyes Karabakh Question

MM2609131594 Moscow PRAVDA in Russian 24 Sep 94 p 2

[Report by Boris Mkrtchyan: "Lord Strolled About Karabakh"]

[Text] Yerevan—Eric Avebury, chairman of the British House of Lords Human Rights Commission, held a news conference for local journalists after a fact-finding trip around Armenia and Nagorno-Karabakh. Avebury expressed regret that his country's government is guided first and foremost by economic interests rather than human rights in its relations with the Transcaucasian region's countries. As a result of this, Britain has long had an embassy in Azerbaijan but is in no hurry to open one in Armenia.

On the subject of the problem of Nagorno-Karabakh, the member of the House of Lords stated that the "principle of the inviolability of borders is not dogma. Each specific territorial dispute needs to be scrutinized separately. As far as the Karabakh problem is concerned, it is necessary here to take the interests of the Karabakh people as the starting point and stick to the UN Charter."

Lord Avebury also stated that on returning home he will present documents to British Foreign Secretary Douglas Hurd confirming the presence of U.S., Turkish, and Yugoslav weapons in the Azerbaijani Army's arsenal.

NKR Ready 'To Stimulate Peace Process'

944K2381B Yerevan RESPUBLIKA ARMENIYA in Russian 21 Sep 94 p 1

[Munk IATs correspondent report: "The NKR Does Not Want To Be Isolated"]

[Text] "The basic concept of the Karabakh side is to stimulate the peace process and to prevent the stymieing of the negotiations," M. Sarkisyan, leader of the NKR [Nagorno-Karabakh Republic] delegation, told our Munk IATs correspondent following the conclusion of the tripartite meeting in Moscow for a settlement of the Karabakh problem. To this end, he observed, the NKR invariably adheres to a policy of compromise steps and is prepared to make concessions if there are dependable guarantees of a nonresumption of combat operations.

As M. Sarkisyan announced, in the course of the three rounds of negotiations experts of the foreign policy departments of the NKR, Azerbaijan, and Armenia had arrived at an accord on a number of points of the political agreement proposed by the Russian mediator. At the same time, on the other hand, understanding was not reached on the set of questions connected with the withdrawal of troops from the occupied territories, the creation of a buffer zone, and the return of the refugees in view of the serious conceptual differences in the parties' approaches. As the Karabakh representative said, throughout the three rounds of negotiations the Azerbaijani side, having no clear-cut set of arguments, was unwilling to depart from what M. Sarkisyan sees as its unconstructive position. Its essence amounted to just one thing—to obtain by means of international forces sufficient control of Nagornyy Karabakh prior to the start of negotiations on its status.

"Nagornyy Karabakh will never agree to its isolation," Mr. Sarkisyan said in conclusion, "we must preserve the degree of independence that we have achieved until a complete settlement of the conflict and the establishment of conclusive peace in the region."

Azeri Shelling of Borders Reported

NC2609202394 Yerevan Armenia's Radio First Program Network in Armenian 1800 GMT 26 Sep 94

[Text] Defense Ministry press service reported that the Azerbaijani Army units again violated the cease-fire on Armenia's northeastern and southwestern borders last night. The enemy shelled the defensive positions of Chinari in Tavushskiy Rayon between 2200-2320 using various types of firearms and grenade launchers.

The armed formations in Nakhichevan opened machine gun fire on border positions in Megrinskiy Rayon between 2212-2430 [as received].

There were no casualties. Our troops did not retaliate.

The same source reported that a relative calm prevailed on the borders until 1200 today. We have not received additional information since then.

Nagorno-Karabakh Republic Defense Army press service reported that the cease-fire is being observed on Karabakh fronts.

Kurdish Organizations Seek To Consolidate

944K2381A Yerevan RESPUBLIKA ARMENIYA in Russian 20 Sep 94 p 1

[ARMENPRESS report: "First Kurds' Congress"]

[Text] The First All-Armenian Congress of Kurds was held on 17 September at the Yerevan Engineering University. More than 600 emissaries from various parts of Armenia, representatives of the intelligentsia, and public figures took part.

The congress discussed the unification in a single union of the Kurdish organizations, committees, and cultural centers operating in Armenia and also organizational matters concerning community life.

Delegates for participation in the Kurdish Forum within the framework of the CIS scheduled for October in Moscow were elected.

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Economy Minister on Progress Toward Privatization

NC2609140594 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 2152 GMT 26 Sep 94

[Text] Yerevan ("Respublica Armenia" daily), 09/24/94—RA [Republic of Armenia] Minister of Economy Armen Yegiazaryan made a short report on privatisation in the republic on September 23.

One thousand medium and large enterprises will be subject to 20 percent privatisation by the end of the year. The mechanism is such that two meetings will be held in each enterprise. The employees should accept the decision on privatisation at the fist meeting, and a decision on conversion into a joint stock company is to be accepted at the second.

Based on the schedule, these meetings have already been held at 700 enterprises. Only the collectives of ten enterprises declined privatization. Questioned which enterprises these were and why did they refuse privatization, Yegiazaryan said that these were mainly enterprises in the transportation sphere, which are in bad economic situation, and hope to gain a state subsidy. But still, Minister believes that only 10 refusals out of 700 participants is not a bad result at all.

According to the privatization program, accepted by the RA Supreme Council, 4,750 enterprises are to be privatised. 2,750 of these are small enterprises, and 2,000 - medium and large ones. Of this list the government affirmed privatization of 428; 163 have already been privatized, and 143 made first payments. The state budget received 28 mln. drams. The state commission on privatisation will prepare the lists of another 1,000 enterprises within coming 7-10 days.

The republic also prepares to grand privatization, the legislation for which and for voucherization of the population is ready. Distribution of vouchers will start on October 10-15, and will last for 4 months. Large enterprises to be converted into joint stock companies will be defined in November-December.

The government will also discuss a package of documents on creation of investment funds etc. According to the Minister, Armenia will consider the negative experience of Russia, therefore such funds will be under a stricter control.

VOA, Radio Liberty Enjoying Increasing Popularity

MM2609143794 Moscow IZVESTIYA in Russian 22 Sep 94 p 3

[Report by Sergey Bablumyan: "Armenian Radio Joking With Someone Else's Voice"]

[Text] Yerevan—A few years ago the possibility of hearing the news from Voice of America or Munich's Radio Liberty would have been seen by many Yerevan people as not the wittiest joke by Armenian Radio. Today the "enemy voices" are heard in citizens' apartments as normally as "Mayak" or "Yunost" programs.

Broadcasts over the city relay network, which is not dependent on scheduled electricity supplies, now clearly exceed the possibilities enjoyed by television. Around three years ago local and Moscow radio broadcasts were first joined by VOA from Washington in Armenian. The Americans obtained 60 minutes of airtime and, from 1900 to 2000, report on world events. Naturally, listeners are particularly interested in commentaries on events in Armenia and, quite illogically, in news from Armenia itself.

The Americans pay for their hour of airtime in dollars, which has allowed the Armenian Television and Radiobroadcasting Administration to improve its financial affairs somewhat. The $108,000 allocated by the republic's government this year to supply the national radio service with modern equipment and hardware will clearly not solve the problem.

VOA's popularity is due not only to its up-to-the-minute and wide-ranging news service, but also to a purely psychological factor. The foreign accent in the U.S. broadcasters' spoken Armenian continues to charm listeners more than if the text were read out in irreproachably pure Armenian. But this phonetic attraction will not persist long in a country where Mercedes and Toyotas no longer attract attention. Moreover, Radio Liberty, which appeared on the Armenian airwaves about six weeks ago, is starting to outdo its American colleagues, in the opinion of listeners.

The Armenian Television and Radiobroadcasting Administration is showing a great deal of interest in cooperation with other TV and radio companies around the world, but it has been forced in a number of cases to reject advantageous contracts that gave too much time to religious subjects and preaching, which poses a threat to the integrity of the Armenian Apostolic Church.

Moscow Radio, which quite recently at its own discretion drew up a schedule of its broadcasts to Armenia, has noticeably cut back on its broadcasting time, although interest in the programs remains fairly high. The latest news, broadcast from Moscow three times a day, is attractive primarily for its information on the life of a once unified country—but probably above all for the way in which Moscow is interpreting events in and around Armenia.

As for the reverse process, Yerevan broadcasts in 10 foreign languages, including Azerbaijani. Baku is also continuing its broadcasts to Armenia. But the exchanges of concert programs that were widely practiced in the recent past have largely given way to comments by servicemen on both sides of the two hostile countries' border.

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Azerbaijan

Aliyev Speaks on 'Recent Developments'

NC2309191094 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1645 GMT 22 Sep 94

[Speech by President Geydar Aliyev in the Azerbaijani state television studio in Baku on 22 September—live]

[Excerpts] I am here in the television studio this evening to express my views on the recent developments in Azerbaijan. The continuing state of war is Azerbaijan's most difficult problem. It is common knowledge that a cease-fire agreement has been in effect between Armenia and Azerbaijan for more than four months now. It is the first time during the six-year war that a cease-fire agreement has held for this long. We held direct talks with Armenia and used the opportunities that were created by international organizations for that purpose. Russia's mediation helped us greatly. That is how we were able to conclude a cease-fire agreement.

Fighting has not taken place in the front lines for more than four months now. However, Azerbaijan's military forces are working to defend Azerbaijan, maintain the positions they hold, and fulfill their military obligations. The cease-fire agreement and the effort that is being made to maintain represents an opportunity to end the war. We have taken several steps since it went into effect to make sure that a peaceful solution is found to the problem. The proposals Azerbaijan has made are linked with the Republic's conditions.

A significant amount of work has been done during the past four months. I do not find it necessary to outline what has been done again. However, I wish to inform you of a number of important measures that were put into effect during the past month. We held very intensive talks with CSCE Minsk Group Chairman Jan Eliasson at the end of August. He visited the area and held talks with us and Armenia's leaders. Considering his approach and Russia's mediation, Armenia and Azerbaijan disclosed that they will see to it that the cease-fire is maintained. Mr. Eliasson and the Russian Ministry of Foreign Affairs also made similar statements. We said that we shall see to it that the cease-fire agreement is maintained until a comprehensive peace agreement is concluded. We are complying with that statement. Meanwhile, we have taken new steps to facilitate the effort that is being made to conclude a comprehensive peace agreement. Productive talks were held with Mr. Jan Eliasson.

You will recall that Madeleine Albright, member of the Clinton Administration, member of the U.S. Security Council, and U.S. permanent representative to the UN Organization has visited Azerbaijan. She brought a letter from President Clinton. We held productive talks with her on the conclusion of a peace agreement.

I left for Egypt shortly after her visit. I took part in the international conference that was held in Cairo. I also held talks with the leading officials of several countries and briefed them on the situation in Azerbaijan. We exchanged views on how to improve the situation. I also held talks with Vice President Albert Gore. Our meeting was planned beforehand. It was very important and productive. I explained Azerbaijan's position and approach in principle to Vice President Gore. I informed him that Azerbaijan does not wish to maintain the war and is making an effort to find a peaceful solution. I also informed him that the international organizations and influential countries, including the United States, must take part in the effort that is being made to solve the problem.

Talks were held in Moscow after I returned from Egypt. I held direct talks with President Levon Ter-Petrosyan in Moscow. I also held direct talks with Mr. Robert Kocharyan, representative for Daghlyk Karabakh, and Foreign Minister Andrey Kozyrev. A joint meeting was held later. We held talks for two days. I informed the Armenian leaders and Andrey Kozyrev that we will remain committed to the cease-fire agreement. However, that is a temporary state of affairs. So, a comprehensive peace agreement has to be concluded. Furthermore, I outlined Azerbaijan's conditions. I have explained them several times. They are as follows: The Armenian military units must withdraw from Azerbaijan's occupied rayons; the refugees must return to their homes; Azerbaijan's territorial integrity must be secured; and Azerbaijan's borders must be maintained.

I stressed that we agreed to several of Armenia's conditions. We agreed that security must be established for the Armenians in Daghlyk Karabakh. We also agreed that measures should be taken for that purpose. I also stressed that the question of the status of Daghlyk Karabakh should be considered after all that is resolved.

Regarding Azerbaijan's conditions, the most important issue is the withdrawal of the Armenian military forces fr .n Lachinskiy Rayon, the liberation of Shushinskiy Rayon, and the return of the refugees to those rayons.

Lengthy talks have been held on our conditions until now and more will be held in the future. I outlined them to reiterate our principled approach and urged the mediators to make an effort to have our conditions realized. I informed them that we are prepared to conclude a comprehensive peace agreement based on those conditions.

We maintained our efforts on the matter after the talks in Moscow ended. Azerbaijan and Armenia disclosed through Russia's mediation in Moscow later that they would maintain their talks and see to it that the cease-fire agreement was not violated. Vladimir Kazimirov, President Boris Yeltsin's envoy, arrived in Baku on 20 September. I held talks with him. He conveyed a letter to me from President Yeltsin. We held talks on the basis of that letter. Kazimirov later left for Armenia. He returned to Baku today. I will meet with him tomorrow.

You must be aware that we have also tried to use other means. We have tried to benefit from the approach that

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is being maintained by the United States. Meanwhile, we believe that the work that has been carried out by the CSCE Minsk Group is very important. [passage omitted]

All that has taken place during the past 20 days. Our media organs have briefed you on them. Nevertheless, I wished to repeat that and assure you that we have maintained our effort to strengthen Azerbaijan's position, end the fighting, and save our people from the tragic war.

A very important historic development took place in Azerbaijan on 20 September. Talks were held between the Azerbaijan State Oil Company and several Western oil companies for more than three years. A draft agreement was concluded at the end of the talks, an agreement that Azerbaijan deemed appropriate. It was signed during a jubilant ceremony in Baku on 20 September. I explained the importance of that agreement in the speech I made during the ceremony that was held to sign it. However, I wish to reiterate once again that it is of historic importance. The contract that has been signed is the most important in the Azerbaijan oil industry's 150-year history. [passage omitted]

We have concluded an agreement with seven oil companies. They have created an opportunity for the improvement of our economic and other relations with their countries. President Clinton has congratulated the conclusion of the agreement. He highly assessed the contract in the letter he sent to me on 20 September, saying that it is very important for the improvement of relations between Azerbaijan and the United States in the future. Furthermore, he said that the contract will facilitate the effort that is made to resolve the Daghlyk Karabakh dispute. [passage omitted]

You are aware that I intend to attend the UN General Assembly meetings in New York. I will hold talks with the representatives of several countries. I will also hold talks with President Clinton. All that indicates that Azerbaijan's position in the world has strengthened as a result of the steps the Republic has taken in its foreign policy and relations with foreign countries. I have always said that Azerbaijan wishes to strengthen its independence and establish mutually beneficial relations with all the countries in the world. We have taken the necessary steps for that purpose. [passage omitted]

As I said earlier, I will visit the United States in a few days. I shall hold important talks in that country. I hope that I will find the opportunity to safeguard Azerbaijan's interests. The talks I will have will be very important regarding the efforts that are being made to improve the grave situation in Azerbaijan, particularly the efforts to end the war and establish peace.

All that indicates the existence of social and political stability in our community and Republic. Otherwise, had the big oil companies and influential countries not been convinced that social and political stability exists in Azerbaijan and that it will remain a stable and independent country in the future, they would not have agreed to sign such an important contract. Considering that, our duty is to maintain the social and political stability and the normal situation in our Republic. I stressed several times in the past and during the signing of the oil contract that Azerbaijan will always safeguard its independence. A legal and democratic state is being established in Azerbaijan. That process will be maintained. The conditions that are required for political pluralism have been crated in our Republic. That state of affairs will be strengthened in the future. The multiparty system will be maintained in the future. One of our main duties is to safeguard human freedoms and rights. We shall always try to fulfill our duties so that Azerbaijan is recognized in the world as a legal and democratic country, which has adopted the market economy system and develops in accordance with the principles of a free economic system. We have to maintain social and political stability in our community and our Republic for that purpose. That is our obligation. In fact, that is the obligation of the government and each and every patriotic citizen. I believe that the patriotic people must make an effort to safeguard the social and political stability in our Republic. They must contribute toward the effort the government makes for that purpose.

Unfortunately, however, certain forces have tried to disrupt internal stability in Azerbaijan. They have established groups and engaged in unlawful activities to promote their interests. They have even carried out subversive activities and committed treachery against their homeland and people.

Undoubtedly, we have to safeguard the rights of the people and the government. We have to safeguard independent Azerbaijan. Therefore, everyone must be aware of that. Everyone must respect and obey Azerbaijan's Constitution, laws, and government. That is what the citizens, who are loyal to their homeland, should do. So, those groups should be aware that their activities will not yield any results. They must realize that they will harm the people and our independent Republic by trying to promote their individual interests.

Our people have had significant problems during the past few years. I am confident that they will be confronted with important problems in the future. However, it will be useful if we realize our responsibilities and consider the fact that independent Azerbaijan's interests have priority. Removing the state of war and maintaining Azerbaijan's territorial integrity is the most important issue.

Unfortunately, certain people and groups, who have been involved in politics, either do not realize all that or do not wish to. Nevertheless, as the president of Azerbaijan, I wish to inform my fellow countrymen that we have confidence in ourselves and we shall maintain our direction in the future.

A criminal incident took place last night. The television network reported the matter. The leading officials of the

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law enforcement organs appeared on the television network to brief the people on the criminal incident. It is a horrible incident unheard of in history. In accordance with a preplanned scenario, four prisoners, Rakhim Gaziyev, Alikram Gumbatov, Gaba Nezerli, and Arif Pashayev were released from the detention center of the Azerbaijan Ministry of National Security late at night. They were dispatched to an unknown destination. That is an act of treason and aggression against Azerbaijan's independence. It is an act of subversion aimed at undermining Azerbaijan's social and political stability. Undoubtedly, the matter cannot be regarded as a simple incident. Significant preparation must have been made for the operation. Several perverse individuals, who betray their people, were involved in it. An investigation will be carried out to uncover the incident. However, considering the matter from a sociopolitical viewpoint, I regard the operation as an act of subversion and aggression against our independent Republic's people and government. I am convinced that those who were involved are criminal elements who have committed treachery against Azerbaijan's people.

I believe that those who were involved in the incident are the enemies of Azerbaijan both inside and outside our Republic. Regrettably, hostile forces that wish to undermine Azerbaijan's independence and destroy our Republic also exist in foreign countries. They are not few. Many hostile forces exist in foreign countries. They are individual groups and individual government departments. You are aware of them. There are forces that support Armenia's aggression and help it to maintain its attacks on Azerbaijan. There are forces that maintain a hostile approach against Azerbaijan because our Republic pursues an independent and principled policy in the world. Furthermore, there are forces that have fled to foreign countries from Azerbaijan after committing acts of treachery against our Republic's people. They, too, try to destroy Azerbaijan to promote their interests. I am convinced that the incident that took place last night was the outcome of the joint act of subversion by the forces inside and outside our Republic. I wish to inform our people that no one must be shaken or feel uneasy, regardless of the serious nature of the incident. I said earlier that Azerbaijan has experienced many difficult problems in the past and it will surmount this problem now. I am confident that the forces that are responsible for the subversive activity that took place last night will be punished. They will not be able to achieve their objectives. We shall not abandon our position. We shall maintain our effort to safeguard Azerbaijan's independence. The criminal elements will be found and punished. Those who have fled will not be able to save themselves from the people. You are aware of who they are.

The harm Rakhim Gaziyev has done to Azerbaijan's people is common knowledge. However, I do not wish to discuss the developments that have taken place in the past. Nevertheless, Rakhim Gaziyev's criminal activities from 1990 to 1994 are common knowledge. With a view to achieve his ambitions and intentions, he always tried to disrupt stability and provoke people to confront and kill each other. His main objective was to have authority and rank. [passage omitted]

A fratricidal war took place in Azerbaijan in June 1993. Gaziyev was one of those who was mostly responsible for it. In fact, he was one of those who was very active. I was called by the people to come to Baku at the time. I began to work to improve the grave situation in Azerbaijan. You are aware that measures were taken to obstruct the fratricidal war. However, Gaziyev was not satisfied. He wished to maintain that state of affairs. Believing that he would not be able to achieve anything by himself, he moved to provoke a bandit like Alikram Gumbetov in Lenkoran in southern Azerbaijan. He had always cooperated with them. That bandit group placed the people of seven rayons under their control in that region. More than 3,000 troops and 70,000 tanks, armored vehicles, artillery guns, arms, and etc. were withdrawn from the front lines. They were involved in acts of banditry under Alikram Gumbetov. Rakhim Gaziyev was the leading figure. [passage omitted]

Apparently, the organs that have been established to safeguard Azerbaijan's state organization have made very serious mistakes. The investigation will reveal how those individuals were taken out of the detention center of the Ministry of National Security so easily. The Ministry of National Defense was established in Azerbaijan three years ago. It is the continuation of the organ that existed in the former Soviet Union. Many of its employees served during that era. It dates back to 1920. I can say that such a strange and horrible incident has not taken place in the history of that organ. The leading officials of the Ministry of National Defense have acted irresponsibly. They have failed to focus attention on the requirements of their ministry. They have made serious mistakes, so they are responsible for the incident. Therefore, I have to take firm measures today. One of the measures will be to relieve National Security Minister Nariman Imranov from his post. I have already made such a decision. Other measures also will be taken, we cannot be satisfied with only this measure. The main measure will be to capture and punish these criminals. The criminals and those who have helped them to escape must be found.

The incident may cause anxiety, fear, and uneasiness in the people. That will be natural to a certain extent. However, I wish to inform you that no one must feel uneasy. As an independent republic, Azerbaijan will be confronted with many problems in the future. As the president of the Republic, I am able to foresee that. I have foreseen that in the past. That is why I have complied with the will of the people and agreed to serve as the president.

I did not wish to become the president. However, I accepted the people's appeal at a time when a grave situation existed in the republic. I agreed to shoulder this

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serious responsibility, regardless of being aware of the difficulties and problems. I wish to assure you that I did so without being afraid of anything. Similar incidents may take place in the future. No one must feel uneasy. We shall maintain our struggle against the criminal elements. Individuals like Rakhim Gaziyev and Alikram Gumbatov will be incriminated and punished by the people. Their supporters, be they in Azerbaijan or in foreign countries, also will be punished for committing treachery against our Republic. So no one should be uneasy.

This incident has shown that we must be vigilant. It has shown that criminal forces exist in Azerbaijan that wish to disrupt the Republic's social and political stability and weaken its prestige in the world. It is no coincidence that the incident occurred only a day after the Azerbaijan State Oil Company concluded a contract with the foreign oil companies. Apparently, the contract has made many circles uneasy. The independent step Azerbaijan has taken has made many groups, both inside and outside the Republic, feel uneasy.

Well, we may be confronted with similar problems in the effort we make to maintain our independence. We shall solve them. No one should feel uneasy. Azerbaijan will defend its independence and clear the Republic and society of such hostile elements. Nevertheless, I wish to reiterate that the incident has shown that we have to be vigilant. It has forced us to consider the fact that certain forces inside and outside our Republic are making an intensive effort to disrupt stability in Azerbaijan. We must unite to foil their efforts.

The forces that organized the operation may try to benefit from what they achieved. They may try to reactivate individual groups. That is possible. However, I am confident that the government and people are capable of dealing with that situation. We shall take the necessary action regarding the incidents that may occur in the future. Let no one entertain the hope that this incident will generate confusion in Azerbaijan. No. We will not allow such a thing. There are those who want to create confusion, but we will not allow it. we will prevent it, and we are capable of preventing it. We safeguard Azerbaijan's Constitution, government, and rights of the citizens. So we shall maintain our position and use all our resources to prevent similar incidents.

I am fully confident that Azerbaijan's patriotic citizens, who are loyal to their people, are angry at the present time. Each and every one of them hate those criminals. I am confident that our society hates those criminals and that the incident will urge the people to unite to safeguard our Republic's territorial integrity and maintain social stability.

The criminal forces may move to carry out subversive activities among the ranks of the Armed Forces. However, I know that we now have an organized army and patriotic officers and troops guard the Republic's territory. They will not allow the criminal forces to carry out their activities among their ranks. I have confidence in our Armed Forces and law enforcement organs.

Drawing strength from our people, I wish to assure all of you as the president that we are capable of preventing any kind of incident. We shall use all our authority to achieve that.

In short, our lives are difficult. The people are in a difficult economic situation. We are occupied around the clock with the question of providing foodstuffs and bread for citizens. We are also making an effort to solve other problems. It is common knowledge that the traffic on the railways in northern Azerbaijan has been suspended in the northern Caucasus. That means that we have been subjected to a blockade. That state of affairs has created serious problems for our economy. In fact, it has made the transfer of grain products very difficult. Nevertheless, we shall solve our problems.

It is common knowledge that the people live under difficult conditions. We have been taking the necessary measures to change that state of affairs. That is why we need stability. That is why the people should unite. All the forces, regardless of the political parties they belong to, must realize that maintaining Azerbaijan's independence, safeguarding the Republic's territorial integrity, and establishing peace must have priority above everything else. Each and every citizen must contribute toward the achievement of those objectives. I am confident that the majority of our people share that view. I wish to assure you that we shall be successful in solving these problems.

I want to wish you success in the effort that you will make for that purpose. I also want to wish happiness to the Republic's people. Until we meet again, good night.

Defense Ministry Orders Strict Cease-Fire

944F1464A Baku AZERBAYDZHAN in Russian 3 Sep 94 p 1

["Statement of the Ministry of Defense of the Azerbaijan Republic"]

The Azerbaijan Republic expresses its satisfaction in connection with the observance of a cease-fire in accordance with the document of 27 July 1994.

According to orders issued by the Ministry of Defense of the Azerbaijan Republic, all Army units under its jurisdiction are directed to refrain from any action that might lead to a violation of the cease-fire. Appropriate measures are envisaged to preclude incidents, as well as measures to punish individuals found guilty of violating the cease-fire.

With regard to the continuing intensive consultations being conducted by the parties participating in the armed conflict, further maintenance of the cease-fire is envisaged until such time as a political agreement is

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concluded that signifies a complete and conclusive cessation of the armed conflict.

Natural Gas Supply From Turkmenistan Suspended

NC2609201394 Baku Radio Baku Network in Azeri 1700 GMT 26 Sep 94

[Text] Turkmenistan has suspended the supply of natural gas to Azerbaijan again. The Azergas Company informed an AZERTAC correspondent that the suspension of the supply of natural gas is not due to Azerbaijan's debts but to a breakdown at a section of the pipeline in Uzbekistan.

Azerbaijan's debts to Turkmenistan from its natural gas purchases have reached $100 million.

Turkmenistan's officials have assured their Azerbaijani counterparts that the supply of natural gas will be resumed when the breakdown, which has been caused by an accident, is repaired. The natural gas our Republic receives from Turkmenistan is stored in underground installations for the winter.

Interior Minister's News Conference Cancelled

NC2609221094 Baku TURAN in English 1410 GMT 26 Sep 94

[Text] Baku (September 26) TURAN—A press-conference of the Deputy of Interior Minister Rovshan Dzhavadov appointed for 17:00 did not take place because of sudden illness of the Deputy, TURAN was told by Dzhavadov's representative.

The journalists gathered for the press-conference were not admitted to the building of the Interior Ministry.

A conflict between Interior Minister Ramil Usubov and Rovshan Dzhavadov took place, according to unofficial sources. It was supposed that Dzhavadov might have told the journalists about the conflict and its reasons.

[In a related report, Baku TURAN in English at 1135 GMT on 26 September adds the following: "Dzhavadov has opposed more than once present policy of the government and made a statements [as received] contradicting to official line of the leadership of the country. He criticized Major Political Agreement on Armenian-Azeri conflict and the possibility of Russian troops' return to Azerbaijan."]

Georgia

Weekly Interview With Shevardnadze

LD2609125594 Tbilisi Radio Tbilisi Network in Georgian 0659 GMT 26 Sep 94

[Regular weekly interview with Head of State Eduard Shevardnadze by correspondent Nato Onioni; place and date not given—recorded]

[Excerpts] [Oniani] Good morning. We present to you a radio interview with Eduard Shevardnadze, chairman of the Georgian parliament and head of state. Let us start with Abkhazia again.

Last week began with your visit to Sochi, where you met with President Yeltsin. In principle, you were satisfied with the results of the talks—at least, that is what you said in an interview and at a parliamentary session.

According to a TV address by [Russian Defense Minister Pavel] Grachev, [Abkhaz leader Vladislav] Ardzinba agreed in writing to the return of refugees from 1 October. However, Ardzinba subsequently denied this, and the Abkhaz side began actively discussing [the withdrawal of Georgian forces from] the Kodori Gorge.

Yesterday [Georgian Defense] Minister Nadibaidze dismissed Ardzinba's statements, quoting Defense Minister Grachev as saying that unless the repatriation of refugees to Gali begins there will be no second search of Kodori Gorge [for Georgian troops and weapons].

It is interesting that in their statements, both the Georgian and Abkhaz sides cite Russian officials.

[Shevardnadze] It seemed that after the meetings in Gudauta and Sochi, everything became clear: conclusions were drawn and an action program was outlined. When I say that everything became clear I mean that the sides reached agreement on the need for a controlled conduct of the settlement complex. I emphasize controlled conduct because it was the Abkhaz side which attached special importance to the planned return of refugees and other problems relating to it.

The three sides all agreed that settlement of the conflict, including the problem of the return of refugees, is directly related to the period of stay of the peacekeeping forces in Georgia. That is why such importance was given to a controlled return. Since it is linked with the period of stay, it is natural that the entire process of repatriating refugees and determining the status [for Abkhazia] should fit into certain parameters. I would say that this is one of the most important ideas behind the Sochi accords and talks.

Elements in a settlement cannot be unspecified as regards time and place. One can speak for ten years or more about the return of refugees. Likewise, one can speak endlessly about determining the political status. However, we agreed that since the stay of the peacekeeping mission is limited in time, all processes relating to it should also be limited in time. Peacekeeping forces, whether that is UN forces or observers, cannot stay in the conflict zone permanently. I do not think that the Abkhaz side is giving appropriate importance to this factor, at least at this stage.

The meeting in Moscow between Defense Ministers General Grachev and General Nadibaidze, was aimed at

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following up and elaborating on the Sochi accords. Gen. Nadibaidze spoke briefly but quite clearly about it on television.

It is unfortunate that the foreign tour by the Russian president and defense minister coincided with this active process which is unfolding these days.

However, as was said at the meeting in Moscow two days ago [between Grachev and Nadibaidze], the efforts to implement the results of the talks will not be slowed down. It is known that a meeting of the quadripartite commission [on refugees] will be held tomorrow. I think that it will answer many questions.

I said at the Sochi meeting that the time had come for taking decisive, bold, and constructive actions. Such an attitude—making decisions and taking actions in a timely manner—is in the interests of all sides. Restoring and [word indistinct] justice is in the interests of all sides, be it the winner, the loser, or the mediator in the conflict. It is inadmissible and unjustifiable to refuse people the most basic thing: to return to their homes. If this does not happen, if the process is delayed, then of course each of the three sides will lose quite a lot. Russia will lose a lot since it will have failed to accomplish its main mission. Of course, we—I mean Georgia in general—will lose too. And I also think that the Abkhaz leadership will lose very much. It would be an inhumane action which does not meet any human norms and runs counter to the demands of the world today.

[Oniani] Excuse me, but it is not only an inhumane action but it is also incomprehensible and illogical. The Abkhaz side has been interested most of all in starting a discussion on the political status. During the meetings you told both Ardzinba and Yeltsin that discussing the status and solving the problem of the return of refugees should happen simultaneously. It means that the Georgian authorities are ready to start discussing the status and taking steps. However, the present leadership of the Autonomous Republic of Abkhazia is against this. It is difficult to understand this.

[Shevardnadze] I would like to repeat that the key agreement reached at the Sochi meeting was that we should determine the time scale and link it to determining the political status, starting talks on the political status, and to the problem of the return of refugees. It should be all linked to the period of stay of the peacekeeping forces. I think that such an approach to the issue is quite logical and fair. I do not think that it is difficult to foresee the result of delaying the return of refugees and the process in general. It will be a new stage of instability and even more complex events.

[Oniani] There will be permanent instability.

[Shevardnadze] Yes, of course. I do not think that it will be acceptable for anybody. But there is a way out: It is the implementation of the accords which we practically reached both in Sochi and Gudauta.

There is endless debate and argument about the Kodori Gorge. Many people seem to be forgetting that when the withdrawal of Georgian armed forces was discussed, the second part of that agreement was that all armed formations which have entered the territory of Abkhazia should leave as well. These elements are interrelated. The other thing is that no one should forget that peacekeeping forces have already entered the gorge and taken up positions there. If necessary, additional forces will be deployed in the gorge. This was agreed when we were discussing that issue. I think that turning the Kodori Gorge into the central problem is looking for a pretext for delaying the return of refugees.

[Oniani] And it is probably also a lack of trust in the Russian peacekeeping forces. They have already inspected the Kodori Gorge once and said that everything is normal there and that the Georgian side has withdrawn its armed formations.

[Shevardnadze] That is what I thought and still think. [Russian Deputy Defense Minister] General Kondratyev has been to the Kodori Gorge. He took stock of the situation and announced in public what he saw there. General [Vasiliy] Yakushev [commander of Russian peacekeepers in Abkhazia], Nadibaidze, Abkhaz representatives, UN representatives, and others have also been there. You cannot discuss one issue endlessly. This is my answer.

[Oniani] Last week you gave a rather critical assessment of the activity of the UN mission in Abkhazia. You are leaving for the UN in a few days to take part in the work of the General Assembly. Are you going to express a certain degree of dissatisfaction with the UN there as well?

[Shevardnadze] Criticizing UN peace missions is neither new nor original. I have no doubt that this will be the mark of the General Assembly session. One of the main issues which the General Assembly should debate is probably peace missions. The main thing now is not so much criticizing as looking for solutions. In that respect, Georgia's position, since it has been affected by it all, may have a certain bearing on events today and in the future. We know approximately what should be said and how it should be said. Let us see how this year's session of the UN General Assembly proceeds.

[Oniani] Let us now discuss another interesting event which happened last week. There is just one year left until the next elections. Jaba Ioseliani [chief Georgian negotiator on Abkhazia and founder of the Mkhedrioni militia] was the first to establish a new bloc which should take part in the elections. What is your assessment of this event as a political step? Is it good or bad?

[Shevardnadze] Whether we want it or not, preparation for the elections is already on the agenda. Proceeding from this, Jaba Ioseliani's active position is entirely normal. He has his own principles and his own vision of

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events. I think that he has laid a foundation on which his election campaign and platform will develop.

The main thing for me today is to ensure that a final version of the Constitution is drawn up. Unless there is a Constitution, it is difficult to speak of any elections. We should know what kind of elections we are preparing for. Will we elect parliament, president, both parliament and president, or some other structures? I am sure that work on the draft Constitution will be completed by the end of this year and the election fever will assume a more widespread character. [passage omitted]

Foreign aid is especially important in our conditions. It is important today and will probably remain very important in the next two or three years.

Prime Minister Otar Patsatsia flew to Brussels yesterday to sign an agreement with the European Union on humanitarian aid supplies. I remind you that these supplies are provided as a result of my letter to the leaders of European countries. Although they were not allocated only for Georgia, the reason why the European Union considered this issue was my personal address to all the leaders. Without the aid which we are receiving from friends abroad the country would not exist. I am not talking about starvation but existence—that is how things have developed in recent years. I would especially like to single out the European Union and the United States. As far as foodstuffs, grain, and other essentials are concerned, these are the two most important channels which allow us to breathe.

Of course, the true and friendly support of CIS countries is also very important. And, of course, there I would especially like to single out Turkmenistan, which has shown special friendship and given us (?brotherly) assistance. Our debt is growing but they are not strangling us and are giving us time to breathe. The UN agencies have also been active recently. [passage omitted]

Shevardnadze Praises World Bank Assistance

LD2609222594 Tbilisi Radio Tbilisi Network in Georgian 2050 GMT 26 Sep 94

[Text] The CONTACT news agency has supplied us with the information from the head of state's press center, that head of state Eduard Shevardnadze today received representatives of the World Bank —Thomas Blinkhorn, the head of the communal housing department; chief urbanist Robert More; lawyer Friedrich Erocek; and economist Bidzina Imnadze. The World Bank representatives first visited Georgia in June in order to familiarize themselves with the situation in the republic and mark priorities according to which they would work out projects. The delegation made a decision to implement the projects as soon as possible.

At the end of this week, the World Bank delegation will report to the authorities and at the beginning of November the delegation will report to the World Bank Council.

It means that the implementation of the project will get under way, said Thomas Blinkhorn, and $1 billion out of $18 billion allotted by the World Bank will be promptly mobilized. The project envisages the reconstruction and preparation of schools and hospitals for the winter. Among various other programs, the World Bank representatives have decided to implement the program for cleaning the Black Sea.

The head of state thanked his guests and stressed that among all organizations and groups currently acting in Georgia, the World Bank had turned out to be the most operational and that would certainly reassure the population of Georgia that many positive results would follow the difficulties caused by the implementation of reforms.

Abkhazia Demands Refugees Accept Citizenship

LD2609134994 Tbilisi IBERIA in Georgian 1145 GMT 26 Sep 94

[Text] Sukhumi, 26 Sep—The Abkhaz Government issued an edict facilitating the return to Abkhazia only for Georgian refugees who agree to take Abkhazian citizenship and to have the words 'citizen of Abkhazia' inserted in all their identification papers instead of the words 'citizen of Georgia'.

Commission on Refugees Resumes Work in Abkhazia

LD2709113694 Moscow ITAR-TASS in English 1054 GMT 27 Sep 94

[By ITAR-TASS correspondent Irina Scehgoleva]

[Text] Sochi September 27 TASS—The four-party commission on the problem of the return of refugees and displaced people to Abkhazia has resumed its work in Abkhazia's Gala District from today. Commission members are planning to visit the Gala District, where the refugees will return first of all, and to meet with representatives of the local authorities.

Andrey Nikiforov, Russian Foreign Ministry official, before flying to Abkhazia from Sochi, told ITAR-TASS that the commission's main task is to try to understand problems and difficulties encountered by "returnees", and assess the real situation in the region.

The comission's work will be continued in Sochi's "Lazurnaya" hotel, where it will hold its 8th regular session. An information bulletin was issued during the preceding session held on September 6 for those wishing to return to Abkhazia.

The bulletin explained the procedure of return which was worked out by the commission. This includes names of transit centers, rules of filling up forms and applications, procedure of appearing at assembly points, etc.

If plans of the commission's members do not change, a document about measures ensuring security of "returnees" is expected to be discussed during the session scheduled to be held on Wednesday.

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North Ossetians Celebrate Abkhaz Independence

LD2609131894 Tbilisi IPRINDA in Russian 1100 GMT 26 Sep 94

[Text] Vladikavkaz (IPRINDA)—A North Ossetian parliament delegation will be going to Sukhumi on 30 September to participate in celebrations marking Abkhazia's Independence Day (30 September is the day Abkhaz armed units reached the Inguri River, i.e., the Abkhaz-Georgian border). This fact notwithstanding, the North Ossetian leaders recognize Georgia's territorial integrity and regard the Abkhaz-Georgian conflict as Georgia's internal affair.

Grachev Against Renewed Inspection of Kodori Gorge

LD2609170994 Moscow INTERFAX in English 1408 GMT 26 Sep 94

[Text] Russian Defense Minister Pavel Grachev has ordered Commander of the Russian Peacekeeping Force for Abkhazia Vasiliy Yakushev not to carry out a renewed inspection of the Kodori Gorge until the repatriation of Georgian refugees to the Abkhaz region of Gali begins on Monday as agreed before.

Georgian Defense Minister Varden Nadibaidze speaking in Tbilisi on Sunday said Grachev's order came during talks in Moscow last Friday.

He described the meeting as principled after Abkhaz leader Vladislav Ardzinba went back on his own promise to start the repatriation process linking it to the inspection of the gorge.

This in itself is an indication that Abkhazia is ready to use any pretext to derail the repatriation process, the Georgian minister said.

He rejected the idea that the gorge should be inspected by Abkhaz troops or police units, saying only Russian peacekeepers will be allowed to do so.

Prime Minister Patsatsia Departs for Brussels

LD2609172694 Tbilisi Radio Tbilisi Network in Russian 1610 GMT 26 Sep 94

[Text] Georgian Prime Minister Otar Patsatsia left for Brussels today on an official visit. The aim of the visit is to sign an agreement with the European Union on allotment of humanitarian aid to Georgia.

Election Bloc Aims at 1995 Elections

LD2609140794 Tbilisi IBERIA in Georgian 1145 GMT 26 Sep 94

[Text] Tbilisi, 26 Sep—The member of the Georgian Parliament Jaba Ioseliani has formed a society named "The Choice" [archevani]. The society's aim is to prepare for the next Supreme Council elections in Georgia and support proper candidates.

Population Decreased by 1 Million in Last 4 Years

LD2609203894 Moscow INTERFAX in English 1913 GMT 26 Sep 94

[Text] Over the last four years, the population of Georgia has gone down from 5.5 to 4.428 million people, a Georgian delegation told an environmental protection conference of Black Sea Economic Cooperation countries in Tbilisi Monday.

The delegation accounted for such a sharp decline by citing the emigration of not only the Russian, but also the Georgian population from the republic due to the unstable political and difficult economic situation.

The delegation also told the conference that more than 70 million tons of solid waste, including two million tons of toxic waste, has piled up in the the republic.

Their destruction implied enormous expense and was unaffordable for the Georgian government at the moment, the Georgian representatives said.

Employee Injured in Blast at Transport Department

LD2609173494 Tbilisi First Program Television Network in Georgian 1700 GMT 26 Sep 94

[Text] On 26th September, at 0900, a blast occurred at the Transport Department in Tbilisi. A hand grenade, which was planted in the leg of the head of department's chair at the Foreign Economic Committee went off. The blast wounded TV employee Dodo Iordanishvili. She underwent complex surgery and is now recovering.

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Estonia

Prime Minister Ousted in No Confidence Vote

LD2609154794 Tallinn Radio Tallinn Network in Estonian 1400 GMT 26 Sep 94

[Text] The Riigikogu voted no confidence in Prime Minister Mart Laar today. At the vote, 60 members of the Riigikogu voted for the no confidence motion, and 27 against. Now the president has two weeks to nominate a new candidate for the post of prime minister.

On behalf of the Royalist faction, Kalle Kulbok [the chairman of the Royalist faction] submitted a no confidence motion in the Riigikogu this morning. The motion was signed by 58 members of the Riigikogu. Incorrect conduct of state business was named as the reason for the no confidence vote. The examples cited were an illegally guaranteed loan to Lekto [partly state-owned Estonian company whose potato processing project failed], confusion over purchasing arms from Israel, the way Russian rubles have been exchanged, and many others.

Speaking at the Riigikogu today, Prime Minister Mart Laar said that the disputed decisions, cited in an explanatory letter accompanying the motion as examples of incorrect conduct of state business, were made by the government during its first six months in office, when the government acted in uncertain conditions. At the same time, the prime minister admitted that the government had made mistakes for which it will bear responsibility.

Laar Fears Left-Wing Shift

LD2609182794 Tallinn Radio Tallinn Network in Estonian 1500 GMT 26 Sep 94

[Excerpt] The Riigikogu passed a vote of no confidence in Prime Minister Mart Laar, with 60 votes for, 27 against, and one abstention; eight deputies did not vote. The president has two weeks to nominate a new candidate for the post of prime minister. Peeter Kaldre was among the journalists who asked Mart Laar questions immediately after the Riigikogu decision.

[Kaldre] Immediately after the vote of no confidence, Mart Laar was surrounded by journalists and he was first asked what direction Estonian society would move in now.

[Begin recording] [Laar] It depends very much on what the next government will be like and how the situation develops. If, after all, it is possible to continue in the same direction and follow the same program, then I think the situation will be about the same as it is now—because, if you excuse me, I see instability in parliament but I do not see instability in Estonian society. Estonian society and the Estonian economy are moving steadily forward, so one cannot see any instability here, and I do not think that the change of government will have any striking impact. This is, of course, on condition that a turn to the left does not happen—which is, perhaps, what we fear when we look at all the no confidence motions and such, because so far, no program has been presented and no opposition candidates have been put forward. There are some bills now going through the Riigikogu, which, if they are adopted, will mean a turn to the left. We hoped that the opposition would present its program and come up with realistic candidates for the post of prime minister—unfortunately this has not happened.

[Kaldre] Was the result of the vote a surprise to you?

[Laar] No, it was almost exactly what I expected.

[Kaldre] Who could be the next candidate for the post of prime minister?

[Laar] No comment. [passage omitted] [end recording]

Some Ministers May Remain

WS2709103194 Tallinn BNS in English 0700 GMT 27 Sep 94

[Text] Tallinn, Sep 26, BNS—Kalle Kulbok, chairman of the Estonian parliament's Royalist faction and the initiator of the vote of no confidence in Prime Minister Mart Laar, thinks many members of the present government may continue in the new Cabinet.

"Consultations will make clear which of the ministers will be asked to join the new government. The final choice is in the hands of the president. Probably both the (parliamentary) factions and the president will sift through the candidates individually and then decide who deserves a portfolio and who doesn't," Kulbok told BNS.

The leader of the Royalists maintained that the new head of government needn't produce a definite and clearcut program, since the political parties will anyway come up with new programs before the regular parliamentary elections scheduled for March 1995.

"It's a different matter how big a part of those programs will be implemented," Kulbok noted. In Kulbok's words, parliamentary factions will this week be negotiating over Laar's successor and consultations will also be held with the president. He thought it possible that the candidate for prime minister may be announced in the first week of next month.

Journalist Denies Anti-Russian Discrimination

MM2709090394 Moscow IZVESTIYA in Russian 24 Sep 94 p 4

[Report by Estonian Voru Information Center's Aleksandr Gamazin: "Talk of Russians Being Oppressed in Estonia Is a Myth"]

[Text] All manner of Russians can regularly be heard to say the following: What is happening to the 400,000 Russians in Estonia is a violation of basic legal, democratic, and human norms. I can state with the full

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responsibility of a lawyer and also a Russian who has lived in Estonia for 15 years that these opinions are based on another fine myth.

The republic's MOLODEZH ESTONII recently published a long interview with Russian State Duma Chairman Ivan Rybkin: "They (Russians) are being virtually deported from the country... they are being robbed of basic civil riots, banished from their homes, and constantly humiliated in their daily life."

Well, is the State Duma speaker unaware that there has not been a single physical victim of interethnic relations in Estonia since 16 November 1988, nor a single anti-Russian massacre, nor a single refugee who has abandoned his home, property, or family owing to persecution?

Russian Foreign Ministry reports cite the following figure: From January 1991 through September 1993 some 36,000 people left Estonia for Russia. Is that impressive? Let us investigate. But only in the light of other figures regarding the overall picture for the active movement of the population in the former USSR republics. From 1982 through 1991 some 32,000 people left the republic from my native Narva. And in this 10-year period 28,000 arrived. With the introduction of migration quotas (July 1990) the flood of arrivals naturally began to be regulated. The reasons for the departures—personal, family, work, and the climate—remained constant. However, whereas in previous years an average of 15,000-20,000 people left Estonia every year, in 1991-1992 only 14,000 left. That is all that remains of the main "evidence" of persecution.

In Estonia nationality is not stated in the new passports, official questionnaires and references, labor books, applications for jobs or party membership, or documents pertaining to a person's nomination as deputy.... Both an Estonian citizen and a foreigner (including a person without citizenship) have absolutely equal rights to the privatization of housing and economic facilities; to use and own land; to private health insurance; to receive pensions and grants; to join trade unions; to elect local deputies; and to all constitutional rights and freedoms.

Thousands of people in Estonia are indeed robbed of elementary civil rights (the right to life—as a result of murder and accidents; the right to protection from torture or inhuman treatment—as a result of rampant extortion and gangsterism; the right to freedom and personal inviolability—as a result of crime once again and investigative blunders). Just like tens and hundreds of thousands of inhabitants of Russia, Ukraine, or Kazakhstan.

Of course, we are not conscious of any mass humiliation in our daily lives. If we are humiliated it is by officials: Russians in Narva, Sillamae, Kohtla-Jarve and Estonians in Tallinn or Tartu. Probably just like Tatar officials in Kazan, Udmurts in Izhevsk, etc. There is undoubtedly no point in recalling the nationality of officials in Moscow.

Lastly, a word about military pensioners. The view that the bulk of the 10,000 pensioners [otstavniki] in Estonia will not receive a residence permit can be ascribed to common-or-garden ignorance of local legislation. But here I. Rybkin says with firm conviction that new Estonian laws discriminate against the 950 pensioners [otstavniki] who were demobilized in Estonia after 20 August 1991 and for that reason are liable to "deportation" from there with their family members. At the same time Ivan Petrovich for some reason referred to his father, a war invalid, who was seriously injured near Narva: "What can you say about people who gave up their youth and their strength, and shed their blood in the defense and service of the Fatherland and are now condemned by the Estonian authorities to forcible deportation.... We will allow no one to mock old veterans...."

But that is mere emotionalism. It was not old veterans or invalids who had shed their blood who were demobilized in 1992-1994 but 35-40-year old warrant officers and majors full of life.

As for the Fatherland for which our fathers gave their strength and youth, and shed their blood near Narva or Koenigsberg, it is time to face up to the unpleasant truth: The Estonian and Soviet (Russian) peoples have regrettably ended up with different fatherlands. Both literally in terms of territory and figuratively. Imposing your ideas of the Fatherland on another people and imposing 1,000 young military personnel on another country is more cynical than Estonia's demand for them to be taken back to Russia. It looks as though the Estonian state is indifferent to other people while the Russian state is indifferent to its own citizens.

I am sure that the elucidation of these and a host of other opinions may smooth out Estonian-Russian relations.

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